Critical dialogical accountability:
From accounting-based accountability to accountability-based accounting

Jesse Dillard
University of Central Florida, USA
Victoria University of Wellington, NZ
jdillard@pdx.edu

and

Eija Vinnari
University of Tampere
Finland

Critical dialogical accountability:
From accounting-based accountability to accountability-based accounting

Abstract

Society is demanding that its institutions be accountable for more than economic performance. However, much research in the social and environmental accounting (SEA) literature suggests that an increased level of reporting has not prompted the anticipated increased levels of accountability. Accountability is limited by what is disclosed, and what is disclosed is limited by the extant accounting system (accounting-based accountability). Most current attempts at improving social and environmental accountability by increasing disclosure reflect, at best, incremental changes to the traditional accounting system, a system that has been explicitly designed to meet the needs of financial capital providers. Alternatively, we propose that accounting systems be designed to address specific requirements of alternative accountability systems (accountability-based accounting), and the accountability system requirements should reflect the salient evaluation criteria of the interested constituencies. We propose critical dialogic accountability as a way to conceptualize accountability systems in a pluralistic society characterized by multiple, and often conflicting, interests. We present a definition of accountability that illustrates its complexity, recognizes the salience of power for operative accountability relationships and can be applied both descriptively and normatively, providing a framework for assisting in the specification of the accountability systems and responsibility networks of various interest groups. We discuss some implications for both researchers and practitioners associated with SEA endeavors, concluding with a call for imagining box-breaking accountings that extend the conventional boundaries of the SEA field.

Critical dialogical accountability:
From accounting-based accountability to accountability-based accounting

Water, water, every where,
And all the boards did shrink;
Water, water everywhere,
Nor any drop to drink.
(Samuel Taylor Coleridge, 1798, The Rime of the Ancient Mariner)

1. Introduction

The term accountability has taken on a dominate role within both the public and private sector and, when paired with transparency through disclosure, is offered as a panacea for most every ill that confronts an individual, entity, community or society.[1] With regards to work organizations, the institutional response to calls for social and environmental accountability is usually to introduce amendments to extant accounting and reporting regimes. The European Commission (2014) of the European Union, for instance, cited increased accountability as a major justification for requiring large and societally relevant organizations to disclose non-financial information in their annual reporting.[2] In the United States, progressive legislation such as the Sarbanes-Oxley Act (2002) and the Dodd-Frank Act (2010) expand disclosure and accountability requirements in response to various financial crises, and the Securities and Exchange Commission requires some environmental risk information to be included in its 10K filings.

Though not often legally mandated, corporate disclosures have risen significantly over the past 25 years. KPMG's (2017) survey reports that 93 % of the 250 largest international firms[3] and approximately three-fourths of the 4,900 firms surveyed engaged in some form of sustainability/responsibility reporting.[4] In light of this dramatic increase in "accountings", Brown and Dillard (2013a) suggest that many social and environmental accounting (SEA) scholars and practitioners seem to suffer from *disclosure-sclerosis*, generally diagnosed as a fixation on

---

[1] For example, regarding sustainable development see the Paris Declaration that took place in 2005 and the follow up Accra Agenda for Action in 2008, as well as the United Nations Millennium Development Goals and the Sustainable Development Goals. Regarding corporate social responsibility see the Global Reporting Initiative, which began in 1997, and the International Integrated Reporting Council formed in 2010. All call for a greater level of transparency and accountability. The United States government has gone so far as to establish the General Accountability Office with a stated mission "to support the Congress in meeting its constitutional responsibilities and to help improve the performance and ensure the accountability of the federal government for the benefit of the American people." https://www.gao.gov/about/index.html

[2] Regulation (EU) No. 236/2014 of the European Parliament and of the Council of 11 March 2014.

[3] Also, 85% of the S & P 500 firms publish some type of responsibility report. (https://www.ga-institute.com/press-releases/article/flash-report-85-of-sp-500-indexR-companies-publish-sustainability-reports-in-2017.html?type=123).

[4] Social and environmental reports, sustainability reports, corporate citizenship reports and corporate responsibility reports, terms we use interchangeably, are collectives referring to the myriad terms used to designate such corporate reportings.

"sustainability" reports predicated on the presumption of "speaking truth to power" and, with regards to accounting, "if we disclose it, responsible decisions will follow." The symptoms of this disease manifest in an obsession with enhancing disclosure for disclosure's sake with little regard as to whether the actors are actually being held accountable. As a result, the SEA community proceeds to tinker with the traditional accounting thinking, procedures and practices in attempts to enhance disclosure with little concern for the reason(s) for the object[5] of the disclosure's salience much less the needs and interests of the various interested constituencies (stakeholders) affected by the actions of a power holder.[6] A significant amount of the more reformist work in SEA reflects a belief in the ability of accounting to enhance accountability via disclosure with regard to external reporting, governance and maybe even attesting to the reports (see e.g. Adams, 2015; Adams and McNicholas, 2007; Aras and Crowther, 2009; Burritt and Schaltegger, 2010). However, a substantial amount of critical SEA research[7] suggests that the contents of the associated reports do little in expanding the scope of corporate accountability beyond shareholders and creditors.[8]

The predicament of Coleridge's Ancient Mariner resonates as we are surrounded by an abundance of disclosure that does not slake our thirst for meaningful accountability, thus, fails to motivate responsible actions.

Disclosure, disclosure everywhere,
We shout with all our might;
Disclosure, disclosure everywhere,
nor any change in sight.

This paradoxical situation may arise, at least to some degree, from the presumption that accountability follows from, and is enabled and constrained by, a pre-specified (traditional) accounting system. We refer to this perspective as *accounting-based accountability*. The current accounting system that is called upon to provide the disclosures necessary for holding organizations accountable for the social and environmental impact of their actions has been predominately oriented toward the accountability criteria associated with the needs of financial capital (Malsch, 2013). In the course of time, we seem to have "black boxed" the process whereby accounting systems are, and should be, designed to address the needs of specific accountability systems. We refer to this view as *accountability-based accounting*.

---

[5] The object may be fully disclosed and completely transparent but of no consequence in regards to meaningful evaluation criteria.

[6] Power holder, account provider and benefit provider refer to the entity providing an account to an account holder.

[7] The two major accounting and reporting standard setting bodies, the International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB), explicitly state that their focus is on the needs of the investor and the capital markets. The same is true for the International Integrated Reporting Council (IIRC).

[8] See, inter alia, Brown and Dillard (2013a, 2015), Deegan (2017), Owen (2008), Gray et al. (2014) and Milne and Tregidga (2009), Spence (2009), Spence et al. (2010) for summaries and discussions regarding corporate social and environmental reporting and the related literature.

Being unaware of, or ignoring, the proper relationship between accounting and accountability systems is problematic for several reasons. First, accounting-based accountability provides the conceptual framing for extending corporate responsibility and accountability in a conservative way, thus sustaining, reinforcing and obscuring the privileging of financial capital providers' needs and interests (e.g., Archel, Husillos & Spence, 2011; Otusanya, 2011; Spence, 2007, 2009; Spence, Husillos & Correa-Ruiz, 2010). Taking the financers' (investors, creditors, etc.) accountability-based accounting systems as the starting point for imagining accountability systems represents, at least implicitly, an acceptance of the neoliberal assumption that the information needs of all other interested groups are satisfied in the financial disclosure set.[9],[10] Imagined new accountings tend to be filtered through this dominant lens, constraining the domain of possibility and generally reinforcing the status quo. This is of particular concern in the current situation where two thirds of the top 100 governments and corporations in terms of revenues (GDP) are multinational corporations (MNCs) (Freudenberg, 2015). Never before have so many resources been concentrated in the hands of nongovernmental entities that have little or no accountability to anyone other than the owners of those entities.

Second, accountability has been relegated to the status of a simple, unidimensional outcome of accounting systems, a vacuous signifier[11] that each actor can vest with the meaning best suited to their own interests. A taken-for-granted understanding of accountability as an all-purpose, inherently positive solution stifles serious consideration of complex problems and obscures avenues of progressive change, becoming a bludgeon employed in strategic maneuvering and rhetorical obfuscation.[12] Finally, the foregrounding of accounting may constrain the potential for undertaking research that "matters" (Flyvbjerg, 2001) as original insights concerning accountability might be dismissed in seminars and rejected from journals, accompanied by the ever present "where is the accounting?" This has direct bearing on the persistent debate concerning the relevance and efficacy of SEA research as scholars struggle with ways to best facilitate a progressive social and environmental agenda.[13]

Our primary purpose is to engage in a reflexive discursive encounter (Rached, 2016) so as to clarify and deliberate on how we might recognize accountability as a, if not the, primary objective of disclosure and transparency and, therefore, of enabling accounting systems. That is,

---

[9] This is a position explicitly taken by the IASB and the FASB as well as the IIRC.

[10] For a general review of the critical accounting literature regarding the influence of neoliberalism, see Dillard and Vinnari (2017).

[11] One might speculate that the current accountability frenzy is related to the dominant neoliberal mindset that conceptualizes all sectors of society as being optimally governed by a market metaphor. Moral values and ethical considerations are abdicated to the omnipotent market wisdom and discipline (Malsch, 2013).

[12] See Cooper and Johnston (2012) for an example and excellent discussion of the implications. Also, Dubnick (2002).

[13] See Adams and Larrinaga-González (2007); Archel et al. (2011); Bebbington (1997); Bebbington et al. (2007); Brown (2009); Brown and Dillard (2013a); Brown, Dillard and Marshall (2005); Burritt and Schaltegger (2010); Cooper et al. (2005); Dillard and Brown (2012); Dillard and Roslender (2011); Everett (2004, 2007); Everett and Neu (2000); Gray (2002, 2007, 2010a,b); Gray, Dillard and Spence (2009); Gray et al., (2014); Lehman (2001, 2010); Neu, Cooper and Everett (2001); Owen (2008); Parker (2005); Shenkin and Coulson (2007); Spence (2007, 2009); Spence et al. (2010); Tinker and Gray (2003); Tinker, Lehman and Neimark (1991).

we propose shifting the focus of our deliberations away from accounting-based accountability systems toward processes that would culminate in developing accountability-based accounting systems via critical dialogic accountability, a shift we see as crucial if SEA research and practice is to move beyond the business case for sustainability (Brown and Fraser, 2006), taking pluralism seriously (Brown, 2009) and doing research that matters (Flyvbjerg, 2001).

We address these issues in two steps. We begin by outlining an alternative accountability process, *critical dialogic accountability*, predicated on ideas emerging from agonistic pluralism (Mouffe, 2013) and critical dialogic accounting (Brown, 2009; Brown and Dillard, 2013b, Vinnari and Dillard, 2016). Critical dialogic accountability takes as its starting point the rights and responsibilities of the constellation of constituencies, human or non-human, affected by an account provider's actions in contrast to stakeholder engagements, which are initiated by the party being held accountable.[14] In this process, responsibility networks coalescing around shared issues formulate salient sets of criteria that feed into the accountability system for evaluating the actions of the account provider. Accounting, disclosure and transparency[15] are necessary, though not sufficient, components of such an accountability process. The accounting systems are neither independent of, nor do they dictate to, the accountability systems but are designed to address the information requirements of the accountability systems. The focus therefore shifts from what can be disclosed and made transparent given prespecified accounting systems to developing accountability-based accounting systems that provide the information relevant to the evaluation criteria specified by the responsibility networks.

Predicating the accountability process on ideas of critical dialogic accounting and agonistic pluralism facilitates the recognition of the multiple, sometimes conflicting needs, interests and power relationships among the affected groups. In such a context, accountability needs to be articulated in a way that acknowledges its complexity and multidimensionality. We propose a definition and engagement dimensions based on international governance/political science literature as reviewed by Rached (2016) and Grant and Keohane (2005) that represent a rudimentary framework useful in specifying the accountability system and responsibility networks of various interested groups. While Rached's (2016) work offers generally applicable ideas concerning accountability parameters and the functions accountability is expected to fulfil, Grant and Keohane's (2005) modes and models of accountability are useful in considering the specification of various elements of accountability systems in contexts where democratic institutions for governance do not exist, such as in the case of MNCs.

We then illustrate how the proposed critical dialogic accountability process and the theoretical resources offered by Rached (2016) as well as Grant and Keohane (2005) can be mobilized for studying and designing meaningful critical dialogic accountability systems. We propose that what is on offer here provides a useful framework that suggests, at least from one perspective, "what should be done" (Flyvbjerg, 2001:60). Following Flyvbjerg (2001:140), we

---

[14] We are indebted to one of the anonymous reviewers for this insight.
[15] Transparency is a complex notion (Roberts, 2009), but this additional layer of complexity is beyond the scope of our analysis.

undertake this project and propose the question of how to imagine new accountings and accountabilities that support progressive programs fully aware that we cannot find the ultimate answers or even be confident that these are actually the salient questions.

As concerns the scope of our discussion regarding accountability, Sinclair (1995) identifies two types of accountability – "structural" and "personal". The current discussion primarily relates to structural accountability in that it is concerned with the systemic or technical properties of accountability and associated processes. Though the importance of personal accountability is not discounted, a thorough treatment is beyond the scope of the current discussion. The personal perspective takes a psychoanalytic view considering ethical issues related to the individual's processes associated with the construction and conceptualization of the self, and the limitations in the individual's capacity to give an adequate account (for a review and discussion, see Messner, 2009). Cooper and Johnston (2012) identify two generally distinct academic accounting literatures that address the psychoanalytic conceptualizations of accountability on the power holder. The first "broadly argues that accounting (or the provision of information) is not accountability" (:610) and the second "conflates the provision of accounts (in their various forms) with accountability" (:610-11). The first concerns the impact of accountability on the individual as it relates to organizational performance. The second concerns the effect of being held accountable on the construction of the self and the effects of exposure (disclosure and transparency) on the account provider. While the present discussion is not directly concerned with the psychoanalytic nature of accountability, it agrees that the provision of information (accounting) is not accountability, that providing an account does not constitute accountability, and that there are limitations in the ability to provide an account (Messner, 2009).[16]

The discussion is organized as follows. The next section considers and critiques the relationship between accounting and accountability that seems prevalent within the accounting academy, and introduces the process of critical dialogic accountability. The third section presents some rudimentary dimensions in considering accountability as a concept. The penultimate section considers "what should be done?" by proposing engagement dimensions of accountability and employs the framework to illustrate how critical dialogic accountability theorized by agonistic pluralism might be undertaken. The last section presents a brief summary and reflections.

2. From accounting-based accountability to critical dialogic accountability

In line with Gray, Adams and Owens (2014, p. 4), we propose that one, if not the, primary reason for accounting is to facilitate accountability on the part of one party, having resources and power to act, to another party that holds an interest in (can be materially affected by) the first party's actions. Accountability is a means by which power can be both constrained

---

[16] Other notable works that address personal accountability as well as related ethical considerations include Roberts and Scapens (1985), Sinclair (1995), Roberts (1991, 2001, 2003, 2009, 2018), Schweiker (1993), Shearer (2002), McKernan (2012), McKernan and MacLullich (2004).

and legitimized (Rached, 2016). Accounting is a system and craft for making visible the activities of an actor. Accountability implies constraining or giving up power by providing information, being transparent regarding decision-making, actions, and outcomes and being subjected to consequences of the evaluation thereof. Being held accountable implies accepting, or being coerced into, the obligation (demand) to act responsibly toward affected constituencies. Within this cacophonic context, accountability provides necessary, though not sufficient, means for legitimating authority (e.g., see Cooper and Johnston, 2012). In contemplating the relationship between accounting and accountability, we consider Flyvbjerg's (2001:60) four questions relevant to "making social science matter": Where are we going? Is it desirable? What should be done? What are the mechanisms of power?

2.1. Where are we going?

As accounting systems have evolved during the past century, the financers have emerged as the dominant "affected group", especially in the United States (Johnson and Kaplan, 1991; Zeff, 2003a, b; Young, 2006). The financers have identified certain sets of relevant criteria that reflect various financial characteristics deemed useful in evaluating an entity in terms of its investment potential. These evaluative criteria have been codified into laws, regulations and standards. The appropriate accountings are provided by an accounting system that discloses relevant transactions so as to make transparent the entity's actions and the outcomes. Traditional accounting systems, for example those specified by the Financial Accounting Standards Board (FASB) in the United States and the International Accounting Standards Board (IASB), are evaluated based on how well their recording and reporting meet the needs of the financers. As (financial) accounting has evolved, the financers (capitalist) have become the primary user group, and the utility of the accounting system and the resulting disclosures are almost exclusively determined by the financers (FASB, 2010; Young, 2006). Deficiencies identified by the financers/financial markets indicate the need for modifications in the accounting system. The process is an iterative and ongoing one. The financers' criteria are also shaped by their understandings of the accounting systems, their capabilities and outputs.

In our view, the history, directionality and iterative nature of this process have largely been black-boxed, which has resulted in an accounting-based accountability. Accountability is conceptualized as a unidirectional, accounting-driven process as depicted in Figure 1, panel a. Accounting is accepted in its traditional role of recording and disclosing (reporting) economic transactions of an entity using the traditional double entry system. The disclosures render transparent the relevant actions of an entity and provide input for the germane decision models.[17] In other words, the disclosures provide the basis for evaluating the performance of an entity, for holding those responsible accountable for their actions, and for projecting future actions. Deliberation and debate revolve around what information is useful and whether, and if so how,

---

[17] See any financial accounting text as well as the explicitly stated positions of the FASB and IASB.

8

the accounting system outputs can enhance "information usefulness" for the presumed investor criteria set.[18]

*****Enter Figure 1 here*****

2.2. Is it desirable?

Typically, improvements to accountability, as envisioned by many SEA scholars, are considered to follow from adjustments to the extant accounting system, not from the development of alternative accountings, and to manifest as improved disclosures resulting in enhanced transparency (e.g. Adams, 2015; Adams and Larrinaga-Gonzalez, 2007; Adams and Whelan, 2009; Aras and Crowther, 2009; Burritt and Schaltegger, 2010; McNally and Maroun, 2018; for reviews see Gray et al., 2014; Deegan, 2017). To mention but a few examples, Aras and Crowther (2009) as well as Burritt and Schaltegger (2010) explicitly express their belief in the potential of social and environmental reporting to benefit both corporations and their stakeholders, ultimately leading to a more sustainable way of doing business. Adams and Larrinaga-Gonzalez (2007) similarly consider sustainability reporting to yield improvements in corporate behavior, especially when academics act as companies' sparring partners. Adams (2015) as well as McNally and Maroun (2018) in turn defend the potential of integrated reporting to engender transformative change by amalgamating sustainability considerations into organizational decision-making. Adams and Whelan (2009) go as far as to identify five stakeholder groups whose actions could prompt managers to perceive the need to revise disclosure patterns; yet these authors do not recommend the consultation of the groups but rather allocate them a supporting role as catalysts of managerial change towards disclosing more information.

As illustrated in Figure 1, panel b, in responding to the call for a wider scope of corporate responsibility and of more corporate accountability, the strategy is to "add a little bit more" to the traditional accounting and accountability systems (e.g., integrated reporting). Add a few more "transactions", which provide a little bit more disclosure and make a few more actions transparent. This allows a few more evaluation criteria to be considered, which facilitates a little bit more responsibility, and includes a few more decisions. Unfortunately, such a strategy neither questions a system predicated on the needs of capital nor does it consider to any significant extent the needs of society or the environment. At least implicitly, the primary "decision maker" is the financer. No new, alternative accounting systems are deemed necessary as the current one is presumed fundamentally sound, only needing tweaking around the edges. The neoliberal economic ideology of efficiency and markets establishes the systemic parameters, and the search is for the "right price" so the markets can efficiently respond (Pearce and Barbier, 2000). To reiterate, we see the problem to be that the accounting system is inadequate for meeting the accountability needs of a plurality of interested constituencies. As a result, the current systems and practices are instrumental in maintaining the status quo (the neoliberal ideology) by

---

[18] As currently rendered, regulators are primarily concerned with the needs, and protection, of financers.

continuing to silence the voices of marginalized groups and therefore stifling their participation and influence[19].

2.3. What should be done?

A mechanism that some SEA scholars believe improves accountability in the context of social and environmental reporting is stakeholder engagement (Joseph, 2012; Rinaldi, Unerman and Tilt, 2014; Unerman and Bennett, 2004). The prescription emanating from this literature and associated reporting standards (e.g. AccountAbility, 2008) is that organizations should identify and engage stakeholders in order to find out, among other things, their social, environmental, ethical, and economic information needs. Awareness of the stakeholders' expectations, it is argued, enables the organization to disclose relevant information and thus discharge its accountability to the identified stakeholders (Rinaldi, Unerman & Tilt, 2014). In instances where stakeholders' heterogeneous information needs are mutually exclusive, the stakeholder engagement literature mainly advocates the application of Habermasian discourse ethics (see e.g. Unerman and Bennett, 2004) to arrive at a consensus. Unfortunately, empirical research results indicate that stakeholder engagement is often just stakeholder management in disguise (Archel et al., 2011; Barone, Ranamagar & Solomon, 2013; Solomon et al., 2013). Further, consensual deliberation as a method of addressing diverging views has limited applicability in the contemporary, multipolar world (Brown and Dillard, 2013b).

A preferable conceptualization, or theorization, that we propose to call critical dialogic accountability is illustrated in Figure 1, panel c. Our proposal is predicated on the ideas emerging from critical dialogic accounting theorized using Mouffe's (2013) agonistics,[20] which presumes a pluralistic and democratically governed society made up of multiple constituencies with varying needs, interests, values and power. In addition to financers, these might include marginalized groups such as indigenous communities, racial minorities, sexual minorities, nonhuman animals, the poor, women or children. Accordingly, the critical dialogic accountability process begins with the identification of the various interested constituencies and a determined recognition of the pluralistic nature of their information needs. Unlike in what has come to be known as stakeholder engagement, the identification of the interested constituencies and their information needs are initiated outside the entity being held accountable, by groups such as political action committees, nongovernment organizations and government entities.

Coalescing around issues of common interest, subsets of the affected groups form responsibility networks not unlike social movement organizations or other advocacy groups. These networks[21] are not presumed to necessarily be homogenous or permanent but to have

---

[19] The resilience of the neoliberal ideology has been the topic of much scholarship (Harvey, 2005; Boltanski and Chiapello, 2006; Guenin-Paracini, Gendron and Morales, 2014; Chiapello, 2017). However, we deem this to be beyond the scope of the present discussion.

[20] Brown (2009), Brown and Dillard (2013a,b, 2014, 2015), Brown, Dillard and Hopper (2015), Dillard and Brown (2012, 2014, 2015), Dillard and Roslender (2013), George (2015), Tanima (2015), Vinnari and Dillard (2016).

[21] A more complete treatment of responsibility networks is beyond the scope of the current discussion. See Mouffe (2013), Brown (2009), Vinnari and Dillard (2016) for indications of the future direction of agonistically informed responsibility networks.

reached an understanding of shared interests and recognized the need to work together toward a common end at a given point in time and/or with respect to a particular issue. In agonistics, such networks are referred to as chains of equivalence (Mouffe, 2013). Responsibility networks represent dialogically constructed sets of salient concerns/issues that provide the dimensions used for specifying evaluation criteria[22], and thus, the basis for constructing accountability systems. The salient issues coalesce within the context of agonistic engagement among the interested constituencies. For example, local fisherpersons, conservationist, and downstream farmers might join together to hold a paper mill accountable for its actions that would pollute a river. While each group might have different ideological, political and economic reasons for their positions, they all have an interest in preventing the pollution of the river. The conservationist wants to save the fish, the fisherpersons want to catch the fish and the farmers do not care about the fish. Through dialog and debate among the various groups, including those that support actions that would increase production and reduce the costs of the paper mill such as local taxing authority, unemployed community members, and the local school system, the alternatives, differences and possibilities would become more clearly articulated and understood. Those opposed to the mill would form one responsibility network and those supportive of it would form another. Both networks would then develop a set of issues for which the mill should be held accountable, after which some external entity such as the state through legislation or regulation could ensure that the associated criteria are incorporated into a viable accountability system.

The accountability system provides the action space wherein the representations of the power holder's actions and outcomes are compared with the associated evaluation criteria devised by the responsibility networks[23]. The representations are constructed within the power holder's accounting system resulting in disclosures that render actions and outcomes transparent. As such, the accounting system should be designed to provide information relevant to the specific accountability system with the accountability system explicitly addressing the evaluation criteria indicated by each responsibility network. A pluralistic environment would probably contain multiple accountability systems comprised of multiple evaluation criteria sets, and multiple, though not necessarily mutually exclusive, accounting systems. Such a perspective changes the question from "What can accounting hold someone accountable for?" (accounting-based accountability) to "What accounting is needed for a specific accountability system?" (accountability-based accounting).

The process of developing accountability systems is interactive and ongoing. As the systems are implemented, learning takes place and the users' experience with the systems may lead to revising the various components. As the process is operationalized, the accounting systems provide representations that are disclosed, making the entity's actions and outcomes transparent. As the account providers' inputs to the accountability systems are evaluated, the evaluations may suggest areas needing attention in the responsibility networks. Also, learning

---

[22] See Tanima (2015) and Sorola (2017) for examples of the application of critical dialogics in the field.

[23] The accountability systems are considered to be located mainly outside the entities, but we believe the argument to apply also more generally.

may take place on the part of the users leading to changes in the coalitions and/or different understandings regarding accountability relationships.

The evaluation criteria may be the result of political processes of compromise and accommodation as well as new insights gained during dialogic engagement. Compromise and accommodation may take place regarding specific issues, responsibility networks and criteria sets. The resulting coalitions and evaluation sets are recognized as temporary. It is also recognized that there are fundamental conflicts related to incommensurable ideological orientations and power differentials that cannot be resolved. There might be further compromise and accommodation associated with the design and implementation of accounting systems, but again differential power relationships and irresolvable differences are recognized. As discussed below, some form of institutional processes that facilitate consequences[24] is necessary for an accountability systems to be effective. While some level of compromise and agreement might be forthcoming, agonistic pluralism recognizes the political infeasibility of resolving inherent systemic differences and overcoming power differentials. Yet, this does not mean that the processes of accountability necessarily become unmanageable, but they may be challenging. Participating in a legitimate and successful accountability relationship can build trust, facilitating constructive engagement.

2.4. What are the mechanisms of power?

Critical dialogic accountability explicitly recognizes the presence of incommensurable ideological orientations (radical negativity) and asymmetrical power relationships (hegemonic regimes) associated with accounting, accountability and responsibility relationships. Within this contested context, recognizing the presence of power and its potential abuse are central to developing realistic and uniquely meaningful systems and networks. The accountability system represents the "political" interface, providing the action space wherein democratic contestation develops the flesh and sinew of democracy. Projected Figure 1, panel d, combining and building on panels a, b and c, would represent the full theorized relationships and interrelationships among the various elements in critical dialogic accountability processes. Unfortunately, we are not capable of rending a two-dimensional diagram that depicts the complexity and interconnectedness of the constructs and the participants, thus *there is no panel d*. In a sense because of the dynamic complexity of the relationships, it is un-representable in a static, two-dimensional space.

In the critical dialogic accountability process, accounting gains relevance through its relationship with accountability. A claim for accountability is meaningless without some value set by which responsible actions can be defined and evaluated and with which meaningful consequences are associated. As much critical SEA research has indicated, the focus on accounting, disclosure and transparency as ends can, in fact, be detrimental to furthering

---

[24] Consequences may take many forms. They can be positive or negative, rewards or sanctions, internal or external, material or psychological/socialization, ex post or ex ante depending on the circumstances and local context, etc.

responsible behavior on the part of actors or industries.[25] Further, the justification for engaging in accountability exercises is that the act of being accountable is itself a means to evoke responsible behavior on the part of the actor. So, unless the possibility of motivating responsible behavior is increased, there is little justification for accounting or accountability systems.[26]

Having identified accountability systems as the nexus of engagement of the account holder and the power holder, accounting systems and responsibility networks, the next section focuses on some of the principal components of accountability as a concept to vest the term with a more nuanced meaning that recognizes that asymmetric power relationships exist within a pluralist context and that provides specificity to the accountability process as depicted above. We propose that this representation of accountability provides a useful framework for specifying accountability systems and responsibility networks.

3. Accountability as a concept

In this section we continue to consider "what should be done?" in implementing critical dialogic accountability by more fully articulating some of the components of the accountability systems and alternative ways to conceptualize power relationships between the power holder and the account holder. Aside from the extant accounting literature, the international governance/political science literature, as reviewed and summarized in the work of Rached (2016) and Grant and Keohane (2005), provides some primary conceptualizations, framings and mechanisms of accountability as it is seen to facilitate pluralistic governance. These elements can provide a framework for motivating and engaging in dialog and debate regarding accountability systems (the interface between representations of actions/outcomes and criteria for evaluation) as they relate to both responsibility networks (source of evaluation criteria) and accounting systems (source of representations of actions/outcomes). Rached's (2016) conceptualization of accountability is selected because its theoretical underpinnings are generally post structuralist, acknowledging that meanings are always local and contextualized as well as privileging dialogue and debate. Its explicit recognition of the presence of asymmetric power relationships is consistent with our position that accountability requires the ability to impose consequences and the recognition of the plurality of accountability relationships. Grant and Keohane's work in turn is selected as it relates to, and on some occasions adds specificity to, the various elements of accountability systems as outlined in Rached's (2016) definition of accountability.

In what follows we first present Rached's (2016) conceptualization of accountability, which identifies applicable minimum parameters regarding effective accountability systems and their functions, and then we introduce Grant and Keohane's (2005) typology of accountability

---

[25] See for example Gray et al., 1997; Milne, Kearins and Walton, 2006; Tregidga and Milne, 2006; Dey, 2007; Brown et al., 2015; Spence, 2007; also see Gray et al., 2014. A similar conclusion also applies to financial accounting and reporting and auditing as evidenced by the recent financial crisis and ongoing corporate debacles.
[26] Roberts (1991, 2001, 2003, 2009), Messner (2009) and others consider the possible limitations to accountability related to the various socializing and individualizing dimensions of accountability. See Van Peursum, Old and Locke (2016) for a brief and cogent summary and application.

developed for multi- or transnational contexts regarding the locus of the power to hold accountable.

3.1 Descriptive and normative articulation of accountability

Rached (2016:319) suggests that accountability as a concept needs to be considered both descriptively and normatively. From a descriptive perspective, the basic accountability system can be depicted as: *A accounts to B for K acts, on the basis of X standards, through Y procedures, at time Z, subject to Q consequences*. Describing the accountability system requires that each component be specified – who accounts to whom, for what, based on what criteria, how, when and subject to what consequences. From a normative perspective, these elements are recast to ask for each potential accountability system, why should A account to B, on the basis of what standards, through what procedures, at what time, subject to what consequences? In other words, is the power holder "accountable to the right constituency, in the right way, at the right time, for the right reasons or standards" (Rached, 2016:326)? Without any normative direction, accountability is a vacuous concept having the propensity for both good and evil.[27]

Rached (2016), drawing on Bovens (2010), proposes the accountability relationship between A and B as a 'reflective discursive encounter'. "It is reflective since it lets the agent turn inward and find a justification for her acts; it is discursive because the agent also needs to turn outward and express this justification publically and intelligibly in order to engage in a back-and-forth conversation; and furthermore, it instantiates a non-arbitrary encounter inasmuch as there is some sort of link binding the two subjects in an ongoing of account-giving and account taking" (Rached, 2016:323). The accountable agent (power holder/account provider) may be a single individual or a collective, and the account holder may be single agents or collectives. The relationship is pluralistic in that the power holder may be differently accountable to multiple constituencies, dynamic in that the nature of the relationships may change over time, and ongoing in that the relationships are situated within an ongoing community.[28]

Rached (2016) suggests eight "coordinates" or dimensions that further specify the "variables" in the definition articulating basic properties by which an accountability system can be conceptualized, implemented and evaluated.[29] The first is the level of *formality* and concerns the degree to which X, Y, Z, Q are articulated and the degree to which they can be adhered. The relationships between the account holder and the power holder can be depicted as more or less formal and legalized. The second dimension is a *spatial* one and concerns how the power relationship between the two agents (A, B) plays out along horizontal (peer relationships) or vertical (hierarchical) lines. Rached's third coordinate, *institutionality*, defines A in terms of whether the collective or the individual members that make up the collective (entity) are to be held accountable. The fourth dimension, *expertise*, concerns the characteristics of A and B with

---

[27] This raises interesting questions regarding whether accountability can/should be considered as a technology and whether as a technology it can/should be considered amoral (see Dillard and Ruchala, 2005). However, such considerations are beyond the scope of the current discussion.

[28] For an elaboration, see Dillard and Yuthas (2001) drawing on Niebuhr (1963).

[29] These dimensions are more fully developed in the next section.

four possible combinations: both are experts; both are lay agents; the power holder is expert and the account holder is lay; or the power holder is lay and the account holder is expert. Rached's fifth dimension, *substance (output)*, refers to the specificity and stringency of the standards (X) to which the power holder is held. The sixth dimension, *procedure (input)*, relates to the types of participatory tools (Y) employed so as to render the power holder accountable. The seventh dimension is a *temporal* one, relates to Z, and concerns the moment that the power holder expects the account holder to react, or the account holder has the opportunity to do so, relative to the action on the part of the former. The eighth dimension considers the *consequences*, Q, of the exercise of power by the account holders to affect the power holders.

Rached (2016) claims that the application of these eight properties is a starting point for both a descriptive and a normative engagement regarding the parameters of accountability. Trustworthy description is presumed to precede meaningful prescription, and these coordinates or dimensions provide a framework for such an undertaking. Next, the functions of accountability systems are more specifically considered.

3.2. Accountability as an accoutrement of legitimate power

Recognizing the indeterminacy and complexity of accountability relationships, Rached's conceptualization supports the agonistic tenets in recognizing the plurality of accountability suggesting that it is "a means to a series of dissimilar and usually conflicting/ ends…." And that "[t]here is no single self-evident end to be promoted" (2016, p. 334). That is, accountability has no purpose in and of itself. It is a means to higher level (first order) objectives such as responsibility, trustworthiness, autonomy, democracy, pluralism, and so forth. The need for accountability arises out of social relationships operating within a continual and irresolvable contested context rendering accountability always, already a continually conflicting domain. The presence of these inherent antagonisms indicates the need for developing democratic processes for engaging the requisite agonistic dialogue and debate out of which accountability systems emerge as opposed to the systems being imposed by the most powerful constituency or dictated by the power holder (Brown, 2009; Brown and Dillard, 2013a). Likewise as previously discussed, the accountability systems should not be dictated by the (traditional) accounting system and the related disclosures and resulting transparencies.

In addition to this transcendent objective, there are also other, context-dependent and value-based functions that accountability systems can be expected to fulfill. Accountability systems may be considered necessary to prevent the abuse of power (constitutional function); to listen and respond to a multitude of voices (democratic function); to increase the power holder's ability to make substantively appropriate decisions (epistemic function); and to foster public trust in the power holder (populist function). These functions legitimate the implementation, or imposition, of accountability systems that potentially limit power, while at the same time legitimating the extant power relationships. Each addresses an aspect of limiting or legitimating power via accountability systems that articulate, facilitate and sustain responsibility networks.[30]

---

[30] See Cooper and Johnson (2012) regarding legitimating oppressive relationships.

One or all of these somewhat interrelated functions may be present, depending on the local context, and their application may be complementary, oppositional or neutral. The resolution of the tradeoff between limiting and legitimating power also depends on the normative imperatives and the local context.

Constitutional accountability is the function most often associated with current governance and accounting regulatory regimes, and the one most often presumed when evaluating accountability and accounting systems. Rached (2016) conceptualizes constitutional accountability as constraining power through imposed standards, regulations, laws and procedures addressing "commonly regarded" excesses. She observes that legitimate power cannot be unrestricted power, because power is always already inclined toward abuse by its nature. The constraints on power are directed toward individual and group autonomy.[31] This function works on the side of the account holder. "Accountability, here, enables account holders to oversee [power holders], to ascribe responsibilities to them and to somehow punish or reward them, if necessary. The point of constraining authority, thus, is to block arbitrariness, to retain power under check" (p. 336). Power holders are evaluated in terms of their reasonableness and constraint, whether voluntary or imposed. Constitutional accountability circumscribes in a formal way the action set for which the power holder is to be held accountable. The formal articulation of these limits can facilitate reasoned and discursive engagement with the parameters and their interpretation. This defensive function implies some prespecified criteria set that can foster a rule following, minimalist attitude regarding compliance. As discussed above, currently standards, regulations and laws focus on the extant financial accounting system. Changes tend to represent tweaks, not alternative accountings, limiting the alternatives to investor focused, neoliberal compatible ones. As such, the rights and interests of other interested groups do not receive adequate protection.

The *democratic* function is closely aligned with a pluralistic (agonistic) perspective and can be used as one way of establishing the multiple standard sets that are integral to constitutional accountability. The democratic function works on the side of the account holder. The democratic aspect "is meant to give any member of a political community who might have been affected or otherwise influenced by the exercise of authority, some fair leverage in collective decision making" (Rached, 2016, p. 336). The expectation is that the affected collective(s), through their participation, will be influential in the decision making process via the evaluation criteria to which the power holder is held accountable. Accountability systems begin with the interested constituencies and their evaluation criteria set. Accountings are developed so as to best provide the requisite related representations. Developing chains of equivalence related to specific issues across various interested groups reflect the possible fluidity of coalescing groups reflecting the ever changing terrain of accountability systems and responsibility networks. Voting by the affected constituencies is one mechanism of democratic

---

[31] Both, at times competing, group and individual autonomy seem to be a central goal of a democratically governed society, at least from an agonistic perspective.

processes with linkages through representative institutions. However, other means of having influence through participation, transparency, and disclosure can also influence decision making.

The *epistemic* aspect of accountability "aspires to enable the power holder to take appropriate decisions, to become an instrument for epistemically better choices" improving "… the cognitive abilities of the institutions…" (Rached, 2016, p. 337). This aspect, generally associated with expertise, is less tangible, more subjective and prospective and tends to be overlooked relative to the traditional focus on inclusivity and constraints on power. Rached (2016, p. 337) argues that a need for accountability of expertise may arise from "an apprehension about a possible malfunction, about the danger of power being used unwisely and unskillfully, even if, presumptively, with no arbitrary intentions, or arguably, with not elitist or exclusivist predispositions." The anticipation of being held accountable may motivate more enlightened and informed judgment and decision making on the part of the power holder. Accountability mechanisms might include peer review, review committees or professional codes.

Epistemic accountability addresses one means by which power is attained and maintained. Brown (2009) recognizes in her dialogical principles the propensity of expertise to obscure and mystify reasons for, and consequences of, representations. Having to explain in an understandable way how and why decisions were made and actions taken anticipates a more conscious and thorough process. Epistemic accountability is associated with governing the accounting profession via peer review and professional codes. Expertise is a quality that can enhance the power of the entity having the expert knowledge. As such, it leads to a need for enhanced accountability, which can increase the level of expertise resulting in a greater need for accountability systems. This function works on the side of both the power holder and the account holder.

The *populist* aspect of accountability concerns fostering a public conception of the entity, especially as it relates to acceptance of, and compliance with, the institution's decisions and actions. In contrast to the others, this function works primarily on the side of the power holder in that it assists in constructing, maintaining and protecting "the trustworthiness and hence the social effectiveness of an institution" (Rached, 2016, p. 339), facilitating the institution's functioning within a given context. If facilitating change is the objective, then the populist effect of accountability is to reinforce the status quo, reinforcing the entity's current privileged status. On the other hand, institutions facilitating emancipatory or defensive objectives could be supported.

The four functions of accountability are not mutually exclusive. They may be mutually supportive, pursuing complementary objectives, or they may, at times, be contradictory, pursuing incongruous objectives leading to different and potentially dysfunctional accountability systems. More importantly, accountability cannot be seen as an end, in and of itself. Evaluations can be made in local circumstances by considering each of these four dimensions, their purpose and their implementation in light of the subject institution(s). In addition, the "amount" of accountability can be counterproductive leading to undemocratic or unpluralistic outcomes. Generally, these might include an exaggerated adherence to rules in order to minimize the risk of

punishment to the detriment of creative judgment and decision making. Rached refers to such problems as tunnel vision, ritualization, defensive routines, stereotyping, and hostile behavior (2016, p. 340). Attaining the appropriate orientation to and level of accountability is an ongoing, iterative activity that requires continual evaluation and adjustment attempting to "balance" the incommensurable elements of these functions of accountability within a decidedly pluralistic and contested domain.

Having reviewed the general parameters and functions of accountability systems as proposed by Rached (2016), we now turn to Grant and Keohane's (2005) work on modes and models of accountability in contexts where democratic institutions for governance do not exist. This work relates to, and on some occasions adds specificity to, the various elements of accountability systems, that is, the "variables" in Rached's (2016) definition of accountability. Grant and Keohane (2005) identify two general models of accountability, participatory and delegation, and then propose seven modes or types of accountability, reflecting different loci of power to hold accountable and providing different foci and situational parameters as well as the means for, and limitations of, certain accountability relationships. In what follows, we will first discuss the two general models that concern the designation of the party to which an account is owed (the account holder B), and then consider the seven modes as they relate to the means by which accountability systems are operationalized. That is, why ought this power holder to be obliged to provide an account and by what means does the account holder hold the power holder accountable?

3.3. Applications of accountability in the absence of democratic governance

Multinational organizations have become some of the most influential and powerful social institutions representing significant power imbalances among the power holders and the account holders. The MNC may be the largest and least accountable institution in the history of humankind. Non-governmental organizations (NGOs) such as the IASB, World Bank, International Monetary Fund, and World Trade Organization also wield significant power and influence especially with regard to the allocation of economic resources and economic development. None of these entities are directly subject to being held accountable through democratic governance.

Grant and Keohane's (2005) two models of accountability in the absence of democratic accountability processes address the relationship between the power holder (A) and the account holder (B). The models provide two different conceptualizations regarding what group constitutes the primary account holder. Three groups are seen to be involved: resource supplier/provider; resource controller (power holder); and those affected by the resource controller's actions. For the participatory model, those affected by the actions of the power holder are deemed entitled to hold the powerful accountable based on criteria specified by these account holders. For the delegation model, those entrusting the power holders with resources are designated as the account holders and are entitled to hold the power holder accountable based on the criteria specified by these account holders. Take for example the World Bank. Should the

bank be held accountable by, and based on the criteria articulated by, the developing world's peoples affected by its actions (participation) or should it be held accountable by the states that provide the resources (delegation)? Both are legitimate positions, depending on one's perspective, and they are not necessarily mutually exclusive.

These two models are also useful in framing efforts in social and environmental accountability. One might argue that the traditional accounting model, which provides the basis for much of the SEA work (Figure 1, panel b), is generally consistent with a delegation model where the providers of financial resources are the account holders and are entitled to specify the evaluation criteria.[32] However, significant effort and argument have advanced a "stakeholder" perspective, which places those with a "stake" in the actions of the power holder as the legitimate account holders. Such a perspective conflates the two models in that it includes resource providers (financers) and those affected by the entity's actions (such as nonhuman animals or indigenous peoples).[33] The models represent two different frames grounded in different assumptions regarding rights and responsibilities. The principal–agent relationships that dominate the more traditional view where the resource provider acts as the account holder is incompatible with a participatory perspective where those who are affected are the account holder. The different perspectives represent fundamental contested issues associated with governance, property rights, human rights and ethics. To presume that a viable delegation, participation or hybrid approach to accountability (and accounting) can emerge from a set of opposing assumptions is an issue warranting serious consideration and debate.

In addition to the two main models of delegation and participation, Grant and Keohane (2005: esp. 35-37) propose seven alternative modes (types) of accountability: market, legal, supervisory, fiscal, hierarchical, peer and public reputational. Each of the modes is attendant to differing loci of power to hold accountable, specifications of the account holder (B), and the actions/decisions (K) for which the power holder (A) is to be held accountable. Grant and Keohane (2005) recognize that the distinctions among the modes are not clear-cut and that they may have characteristics related to both the delegation and participatory models. Further, an entity may be subject to more than one type of accountability, and the type of accountability depends on the local conditions.

To begin with the prevailing model, *market accountability* is a mode of accountability in which the account holders are directly involved in, and restricted to, making resource allocation decisions associated with acquiring a product or service. The traditional neoclassical economics explanations envision a rather straightforward and direct relationship between the provider of a service or product and the recipient. Allegedly, power is located in those who participate in the market and is presumed to be generally balanced between buyers and sellers (i.e., neither is compelled to participate). The justification for market accountability is a functionalist, utilitarian form of accountability within a neoliberal framing. If the "customer" possesses the means of

---

[32] See for example Dillard, Yuthas and Baudot (2016) with regard to microfinance, O'Dwyer, Unerman and Bradley (2005) with regard to NGOs.
[33] See for review Gray et al. (2014), Deegan (2017). Also see Brown and Dillard (2015), Dillard and Vinnari (2017).

exchange, they may choose to accept the product for the price offered or not participate. Magically, the self-interested decisions of the participants generate the market forces that allocate the resources in a "fair and efficient" manner. This form of participation is devoid of any direct consideration of the collective norms and values of the community. There is no consideration of the distortions resulting from power asymmetries, inequities or institutional bias. There are no stipulations for the acquisition and use of resources other than participation in the market.

Unfortunately, the complexity faced regarding participation, access and accountability systems does not generally conform to the requisite parameters or the operant ideology associated with market accountability. For example, do the participants have sufficient information to discern their choices? Do they have freedom to exercise their choice? Which market is most salient? These questions stem from the dilemma of who or what are the interested constituencies and which ones should be privileged. The market accountability results in the positions of the participants being aggregated, and individual voices subsumed. Such a process may be efficient for fungible commodities such as corn or hog bellies, but becomes more problematic when less efficient markets prevail or when several markets are involved. One might argue that Grant and Keohane's (2005) two models and the six other modes of accountability reflect responses to the complexities that challenge the prevailing market ideal and the inability to implement market accountability.

The two models of accountability might be seen as a reflection of the privileging of one of two different markets. Regarding the corporation, the participatory model reflects the market for the entity's products or services. The customers are the account holders, and actions and outcomes (K) associated with the products or services reflect the actions for which the entity is held accountable. The consequences are reflected in the (continued) purchase or not of the products or services. On the other hand, the delegation model reflects the market for capital resources. The financers are the account holders who have provided resources to the corporation. The salient actions are the financial outcomes of the management's actions, about which they are accountable to the financers. What takes precedence when the two sets of actions are not compatible? The six other modes of accountability reflect attempts to respond to such tensions.

Legal accountability refers to formal mechanisms such as courts wherein the power holder has to justify its actions relative to pre-specified rules. The power to hold accountable rests with those institutions designated to enforce the rules. The legitimation for exercising that power are the rules. Ideally, both the institutions and the rules are the result of democratic processes. The actions (K) for which the power holder is held accountable are specified in the law and regulations. For example, the courts as the account holder evaluate whether the organization has performed within the context of the applicable laws. Some consider this a minimalist accountability in that responsibility is presumed to be no more than the law requires.[34] Legal accountability is a response to "market failures". Given that the institutions and the rules reflect outcomes of political processes, unless democratic practices are operational, powerful interests

---

[34] For example, see Brown and Fraser (2006) for a discussion.

tend to dominate the evaluation criteria that specify the actions and decisions deemed relevant. In the United States, the Securities Acts are examples of laws related to the legal accountability of corporations registered on stock exchanges that privilege financers over all other interested constituencies. The stipulation for participation is acceptance of the legal structure.

Supervisory accountability is concerned with relationships between separate organizations. Grant and Keohane (2005) give the example of the International Monetary Fund (power holder) and executive boards or agencies (account holders) formed by the resource providers (nation-states). As a stipulation for providing resources, the board is entitled to an account and can specify the actions (K) for which an account is to be provided. For corporations in the United States, the Securities and Exchange Commission can be seen as having supervisory accountability relationships with regards to corporate management. While market forces are not directly involved, these relationships are predicated on a particular set of property rights that privilege certain parties. In the case of corporations, these relationships have been codified and institutionalized by laws and regulations that directly address the evaluation criteria specified by the providers of financial capital. The power to hold to account is held by the resource providers in that a stipulation for gaining control of the resources is to accept the governance structure.

Fiscal accountability relates directly to funding relationships where the funds provider (account holder) receives a report from the funded entity (power holder). Economic outcomes (K) are the primary evaluation criteria for which the entity is held accountable. Any relevant actions and decisions are presumed to be reflected within the economic representations. The values representing these activities are, preferably, market based. Otherwise, distortions may occur as the translations are undertaken.[35] Grant and Keohane (2005) discuss this accountability mode as it relates to funding agencies and funded agencies where the funder has the ability to withdraw funding. For MNCs, fiscal accountability represents a special case of market accountability whereby financers specifically have the power to hold to account. Accountability to financers who, as funders, may weigh the extent of their support based on the economic results of the organization's management. The stipulation for the use of the resources is satisfactory economic returns.

Hierarchical accountability relates to superior-subordinate relationships within hierarchical control structures (e.g., bureaucracy). The resources are delegated by the superior who occupies a position higher in the control hierarchy. The power to hold to account resides in the relationships delineated in the hierarchy and is exercised by the supervisor as a result of her position in the hierarchy. The hierarchy reflects a particular specification of property rights and employment and labor practices. Market prices are external to the hierarchy. The account provider (power holder) is given control over the resources as a consequence of agreeing to be subject to the control hierarchy. The superior specifies the actions and decisions (K) by which the power holder is to be evaluated and is entitled to an account of the subordinate's deployment of the resources, providing rewards or sanctions regarding the extent to which the performance criteria are achieved. The evaluation criteria operate within the control hierarchy. For MNCs as

---

[35] For example, see Ylönen and Laine (2012) regarding transfer pricing.

well as other types of organizations, hierarchical accountability is related to the conceptualization of accountability generally found within formal hierarchical control structures and associated with management accounting.

Peer accountability, as formulated by Grant and Keohane (2005), seems to be based on the presumption that there are few or no related market forces and that entities need the cooperation of their peers to achieve their objectives. What power there is to hold to account is held by peers. Each "peer" is an account holder and acts on their own directly with the subject entity. Evaluation criteria can be nebulous based on commonly perceived norms and values, which may not be explicitly articulated. Thus, the salient acts and decisions may not be clearly articulated either. As a result, it may be difficult to hold the power holder accountable to any meaningful degree. There are no stipulations for participation or use of resources on the part of the power holder. Generally, this seems to be a weak form of accountability in that sanctions are dependent upon peer perception of the behavior of the power holder.

Public reputational accountability relies on the effect of public opinion on the power holder. "Public opinion" specifies the acts and decisions (K) for which the power holder is held accountable. The entity may be acting within various market contexts. Some subset of actions may be either not part of a particular context, or the actions motivated by one market context (financers) are contrary to the interests of some other constituency (i.e., the "public"), and there is no market related to those effects (e.g., global warming). There is no specific account holder and the "public", wherein the power to hold to account resides, is most likely comprised of many diverse interest groups (financers, customers, the community, etc.) with different, and at times opposing, interests and evaluation criteria. There are no stipulations for participation or for the use of resources on the part of the power holder. As pointed out by Grant and Keohane (2005), it is probably the weakest or at least the most indirect form of accountability and maybe the most pervasive in that it may be implicated in the other six accountability mechanisms. These authors see public reputational accountability as an accountability of last resort. If none of the other mechanisms are viable or effective, then public reputation may be a means by which power might be constrained and an entity may be held accountable. Arguably, this is the predominant mode employed with regards to social and environment accountability, and one of the reasons it has not been more effective.

These modes of accountability are relevant, to varying degrees, at various levels of analysis, but especially at the multinational/transnational level relative to governments, government agencies, NGOs, international facilitating organizations as well as private sector organizations, especially MNCs. Accountability relationships related to MNCs are complex and can involve all seven accountability modes. The extent and relevance depends on the ability of the power held by the account holder to hold the account provider to account, the specific organization, the socio-political and environmental context and the salient responsibility networks associated with the various interested groups.

Given the complexity and power of these organizations and the pervasiveness of the consequences of their actions, market accountability alone is unlikely to provide adequate

accountability, especially with regards to social and environmental issues. In market based societies in the absence of democratic governance, extra-market loci of power are necessary to hold power holders accountable for their actions. Currently, the primary modes are legal, peer pressure and public reputation. For example, underrepresented groups such as indigenous peoples or endangered species can directly participate if they possess the type and quantity of resources necessary to engage in market activities. If not, the interests of these groups must be represented by law through some government agency, an NGO, or other interested funding source that can pressure the power holders (MNCs) to provide an account. For those constituencies not represented in a market, reputational accountability (peer and public reputation) is the primary mechanism presumed and available and may help explain why accountability efforts with respect to non-financers have not been more successful.

So, what should be done? We need to take pluralism seriously. We need to move beyond the untenable conceptualization of market accountability and develop alternative ways of conceptualizing accountability mechanisms and their application to social and environmental issues so as to hold power holders accountable for all of their actions, not just those that affect powerful constituencies or that can be represented through financial or consumer market transactions. Rached's (2016) work, which provides the elements of a framework specifying the parameters of accountability systems, is useful in framing engagement with marginalized and underrepresented groups in the political processes associated with developing responsibility networks and associated accountability systems. Grant and Keohane's (2005) models and modes of accountability provide a typology for identifying the manifestations of power and how these might be more effectively challenged and channeled to more effectively instantiate critical dialogic accountability. For example, if public opinion is the primary source of pressure for providing an account, one would expect accountability systems to be relatively ineffectual. This might suggest that resources should be allocated toward developing political coalitions among the underrepresented groups to campaign for more stringent legal requirements to be imposed on the power holders. An application of the accountability framework would prove some indication as to what issues might be most profitably addressed and what positions might provide opportunities of forming chains of equivalence in bringing political pressure to bear. Only after the salient evaluation criteria associated with the accountability systems are specified would consideration of the characteristics of the requisite accounting systems be considered.

As noted above, much of the current work concerned with inclusivity within accountability systems appears to be working from the market/transaction based accounting and information systems forward to describe the accountability systems. What is needed is to identify the affected groups, recognize the salient issues represented in their responsibility networks and then to develop accounting and accountability systems that facilitate the evaluation of the related actions and decisions of the power holder. In doing so, there may be a need to move beyond the current fixation on markets as the ultimate solution. Next, we consider how the ideas presented in this section might be more fully developed within the context of critical dialogic accountability so as to facilitate taking pluralism seriously in conceiving of accountability and

accounting systems in the process moving from accounting-based accountability to accountability-based accounting.

4. Studying and designing pluralistic accountability systems

In this section we consider "what should we do?" more explicitly by developing a critical dialogic accountability framework. Using the previously specified dimensions, elements and modes of accountability, we propose a framework that sets forth engagement dimensions facilitative of critical dialogical accountability. Subsequently, we illustrate how critical dialogic accountability and accounting systems that take pluralism seriously could be studied, designed and implemented using agonistics based design criteria.

4.1 Accountability framework

The previous section considered some basic notions in conceptualizing accountability. Further considering "what should be done?", this section reflects on these conceptualizations and brings them together as a framework of engagement dimensions for studying and designing pluralistic accountability systems as is outlined in Figure 2. A pluralistic perspective implies multiple constituencies with varying needs and interests, and thus, multiple accountability and accounting systems. The relationship between the framework and critical dialogic accountability is illustrated in Appendix I. The agonistic principles indicate that all interested groups need to be identified, engaged and facilitated in specifying salient evaluation criteria and meaningful representations thereof, that the relationships are contested and resolutions political, and that multiple outcomes will most likely be required.

The framework pursues the question: How do we design accountability systems that reflect the needs of the relevant interested constituencies? A set of dimensions is incorporated into the framework that are presumed to be important when describing, proposing and evaluating pluralistic accountability systems. The framework can serve both academic and practical purposes. SEA scholars might find it useful for not only offering nuanced critiques of the status quo but also for imagining alternative arrangements on a conceptual level. Likewise, the framework could be of assistance to practitioners interested in developing accountability-based accounting systems, perhaps in collaboration with SEA academics (e.g., see Blackburn et al, 2014).

*****Enter Figure 2 here*****′

The proposed framework is organized around the eight "variables" (elements) specified by Rached (2016). For each of these eight elements, we propose several dimensions that reflect relationships or characteristics useful to consider when attempting to articulate the evaluation criteria associated with the responsibility networks of interested constituency groups. The elements and dimensions of the framework were developed through analytical reasoning, motivated by Rached's (2016) synthesis and complemented with ideas from Grant and Keohane

24

(2005) as well as some specifications derived from social movement theory[36]. The framework facilitates a mapping of the engagement terrain allowing a better understanding and specification of the issues to be addressed and the strategies and processes for constructing responsibility networks and the related accounting systems. Each of the elements and dimensions represents a socially constructed relationship or characteristic that implies certain norms, values and power relationships that can have significant implications.[37] As mentioned above in connection with Figure 1 panel c, the responsibility networks representing the interests of affected constituencies could, in practice, take the form of social movement organizations. Therefore, we consider it useful to complement the framework with key insights from social movement theory (for a review see e.g. de Bakker et al., 2013).

The first two dimensions relate to the component of context within which accountability systems are constructed and address, first, the degree to which the asymmetrical power relationships between the power holder (A) and the account holder (B) are formally or legally specified. For example, there is a legal obligation by a corporation (power holder) to its shareholders (account holders). Various aspects of this relationship are more or less directly articulated through law and regulatory institutions. Financial/fiscal responsibilities are generally well articulated either through legislation, regulations or court rulings. On the other hand, corporations' relationships with their various other constituencies regarding their social and environmental responsibilities are not nearly so formally/legally articulated. The extent to which the accountability system is legalized (formalized) provides the context for, and can have a significant influence on, the other engagement dimensions. Formal or legalized rules ascribe "official status to their subjects and specify their respective authority and competence" (Rached 2016:326) and tend to reinforce extant power relationships, reflecting the extant social/political environment (see Cooper and Johnston, 2012). An appreciation of the context dimensions can provide guidance as to what strategies to employ, what groups are most likely to be affected and what platforms might be effective.

The second context dimension concerns the social/political environment and ranges from "favorable to power holder" to "favorable to account holder". Social movement theory alerts us to the contextual significance of the political opportunity structure, in other words "external factors pertaining to [social movements'] social and political environment" (Giugni, 2008:1589; see also King, 2008). For instance, major, widely covered environmental catastrophes may result in society becoming more conducive to the accountability evaluation criteria reflected in the responsibility networks of various interested constituencies.

The second element of the framework considers the relationship between the power holder (A) and the account holder (B). One dimension is spatiality, and the other dimension we have labeled model. In addition to Rached's (2016) spatial vertical-horizontal continuum, we have added Grant and Keohane's (2005) model of accountability as a dimension that ranges from

---

[36] We are grateful to one of the anonymous reviewers for pointing out the applicability of social movement theory to this purpose.

[37] Previous research has proposed agonistics as one means for theorizing the construction of pluralistic responsibility networks. See for example, Brown (2009), Brown and Dillard (2013a, 2015) and Vinnari and Dillard (2016).

delegation to participation. Rached (2016:327) explicitly mentions the delegation-participation dichotomy as a specification of whether vertical accountability runs "upstream" (to resource providers) or "downstream" (to affected groups) from the power holder. Vertical accountability refers to the more traditional/default depiction of hierarchical accountability relationships as characterized by asymmetric power relationships between the power holder and account holders, such as in the case of a MNC and unorganized local residents. Horizontal accountability takes place between actors at the same level within a hierarchy and may be a reflection of checks and balances related to mutual control and cooperation. For example, members of the accounting profession are held responsible for their professional conduct by their peers.

The third element concerns characteristics of the power holder (A). Aggregation defines A in terms of whether the collective (i.e., court, corporation) or the individual members (i.e., judges, managers) that make up the collective are held accountable. For instance, in the aftermath of the 2008 financial crisis, questions were raised regarding the possibility of making senior managers, as opposed to corporations or the entire finance industry, accountable and responsible for excessive risk taking. Another characteristic is the type of the power holder's expertise, ranging from technical to lay expertise. For example, in the case of MNCs, the power holder is most often the expert, at least regarding the area of business in which it operates.

The fourth element addresses the characteristics of the account holder (B). Expertise is also a dimension associated with the account holder and can be classified regarding the extent they possess technocratic or lay expertise. While Rached (2016) does not specify who qualifies as an expert, we share Latour's (2004) broad understanding of expertise that incorporates not only scientists but also politicians and social movement organizations representing those who do not have a voice, such as nature and nonhuman animals. Ultimately, it is important to enable accessibility for non-experts (Brown, 2009), in other words, to identify and communicate unknowns and uncertainties so that all interested parties can understand and evaluate the power holder's actions. A second account holder dimension relates to the account holder's extent of organization or mobilization. Again, this proposal has its roots in social movement theory, which indicates that in addition to the political opportunities considered in the context element above, social movements' effectiveness in promoting their cause hinges upon their ability to mobilize adherents and resources (McCarthy and Zald, 1977; Schneiberg and Lounsbury, 2007).

The fifth element refers to the standards (X), evaluation criteria, to which the power holder is held. These represent the result of the dialogic engagement with the account holders and reflect the parameters identified in the construction of the responsibility networks. Taking pluralism seriously results in recognizing different sets of standards for the various groups and coalitions. Our first dimension relates to the orientation of the standards. Less stringent standards give the power holder more discretion in actions and constitute an integrity-based accountability system where the accountability relationship moves toward one between a "truster" and a "trustee". The second dimension refers to the specificity of the standards and is not unrelated to the first dimension. The more specific the standards, the more likely the accountability relationship is reduced to one of "rule setter" and "rule follower" manifest as a compliance-based

accountability system whereas less specific standards allow for a higher degree of judgment and autonomous decision making. The comparison of the current mandatory requirements associated with financial reporting compared to the voluntary nature of social reporting is illustrative.

The sixth element concerns the procedure(s) (Y) by which the account is given. We have labeled the first dimension visibility. The parameters and the plausibility of the accountability system are influenced by the negotiation of the balance between the inevitable tradeoff between transparency and opacity. "[T]he transparency of the power holder's procedures and decisions … constitutes the information precondition for" the plausibility of various possibilities regarding a relationship. "[T]ransparent authority is not, in and of itself, accountable." (Rached, 2016:331) "Since transparency is only a matter of disclosure or dissemination, it may limit secrecy, yet fail to ensure successful communicative transactions with others…Speech acts that need not engage with audiences – such as disclosing, distributing, dissemination, or even publishing – do not provide enough for those who seek to place or refuse trust." (O'Neil & Manson, 2007:178,180; as quoted in Rached, 2016:331).

Mechanisms is the second dimension associated with procedures (Y) and refers to the means by which account holders can register their judgment regarding the actions of the power holder. For example, voting by constituents or by shareholders represents the primary means by which these account holders exercise influence over the power holders. Alternatively, the power holder may have an obligation to provide a public justification for its actions in light of the account holders' reasoned claim for accountability. The specificity of the practices related to the extent and enforceability of this claim will vary widely based upon the political position of the account holder. For example, financers (e.g., shareholders, creditors and potential investors) have a legal claim on the corporation for transparency regarding its financial position employing "generally accepted" practices. Alternatively, indigenous groups have traditionally had little formal claim or "generally accepted" practices regarding the effects of corporate behavior on their tribal traditions. The procedures are a reflection of the power asymmetries and the extent to which the accounting systems render transparent the relevant evaluation criteria. The extant procedures are descriptive as a model of accountability processes in place leading to normative evaluations regarding the efficacy of the model of accountability being employed.

The seventh element of our engagement framework is time (Z). The dimensions are the timing of the account to be given by the power holder and the timing of the account holders' reaction to the account given. The coordinates for the timing of the account given by the power holder ranges from ex ante to ex post. This dimension refers to the ambivalence of being accountable and refers to the position in time that the power holder is, or perceives to be being, held accountable relative to the time of the act or decision. "[T]o 'perceive yourself accountable' (and acting accordingly) and to 'be held accountable' (and suffering the consequences of your previous acts) are not the same thing" (Rached, 2016:331). The second dimension concerns the time horizon of the account holder's reaction (either short or long) to the act or decision of the power holder. Accounting systems need to provide information supporting both ex ante and ex post accountability. More attention in the design and implementation of accounting and

accountability systems could be given to ex post accountability. Dialogic engagement among the affected parties can lead to more realistic and effective relationships reflecting the potential of dialogic discourse.

The eighth element concerns the consequences (Q) that can be levied by the account holder on the power holder. We identify four dimensions. Following Grant and Keohane (2005), the mode of accountability concerns the means by which influence is exerted on the power holder. At one end of the continuum is the ability to control access to resources (e.g., via market transactions), and at the other end to influence behavior through public opinion. A second dimension reflects the level of account holder influence and has to do with the extent to which the account holder can levy consequences. Depending on the locus of power and the influence of the account holder, the consequences can range from withdrawing the ability to function or remain in a particular domain to stigmatizing, shaming, public criticism, ostracism, displeasure and/or exposure. These can take the form of what Rached (2016) characterizes as hard or soft and direct or indirect sanctions. We have labeled these dimensions stringency and type respectively. A requisite component of an accountability system is the ability for the account holder, at least potentially, to respond in a meaningful way to the power holder's actions. "*[I]nconsequential accountability is no accountability at all*" (Rached, 2016:332, emphasis added). Importantly, Rached recognizes the domain contingency of the appropriateness, credibility and efficacy of consequences.

The framework outlined above not only facilitates the description of accountability relationships, but also the exploration of "the ought" of the relationships. For example, either the supplier of resources (inputs) or the beneficiaries (outputs) may be privileged. Obviously, the "why" of "the ought" of an accountability relationship is contested terrain in need of much consideration from many perspectives, recognizing the local dependency of any application. Ongoing political pluralistic discourse is necessary for developing the appropriate and effective accountability relationships.

Accountability and the development of accountability systems present wicked problems that require multiple perspectives and encompass a wide range of expertise. Accountability is conceived of as the culmination of knowledge from many fields that have been, and will continue to be, applied in many critical areas. We need to better understand how the different areas contribute to the conceptualization of accountability, the structuration of accountability systems and how these systems are being implemented. Each node in the framework represents issues that need to be considered and researched from many perspectives with regard to accountability systems and their place within critical dialogic engagements. As these ideas move forward, hopefully they will facilitate the study of both the craft and practice of accountability and its place in developing and advancing a progressive social agenda as well as assist in developing and contextualizing accounting systems tailored to the needs of account holders, especially marginalized groups. Moving the conversation forward will take a concerted and combined effort integrating many areas of knowledge and expertise.

It is time to begin to pull the varied and various ideas regarding holding power holders accountable together and attempt to develop a broadly theoretically grounded sense of what is, what ought to be, and the why of the ought of accountability and how to apply such in the design, implementation and evaluation of accountability systems in order to make our research matter. Next, we illustrate and elaborate on some of these ideas.

4.2. Constructing critical dialogic accountability systems

In this section, we illustrate how the framework developed in the previous discussion might be used in constructing and evaluating critical dialogic accountability systems theorized by agonistic pluralism, including guidelines of accountability-based accounting systems. The illustration that follows draws on agonistic-based principles in considering the engagement dimensions of pluralistic accountability and accounting systems.[38] Throughout the discussion, we refer to the case of a publicly traded, multinational fast food company as an example that also serves to highlight the complexity of MNC accountability.

The first four engagement dimensions concern the characteristics of, and relationships between, the participants in the accountability process. The remaining four dimensions address the parameters of the accountability system. Taking pluralism seriously implies identifying the constellations of account holders and facilitates the specification of responsibility networks using critical dialogic discourse (Brown, 2009). It also requires critical dialogue between the account holders and the power holder so as to not only construct realistic expectations but also to anticipate the transformative potential of critical dialogics (Mouffe, 2013; Brown, 2009). Once the relationships have been established and the context understood, the parameters of the accountability systems can be developed so as to meet the needs of the marginalized groups. At this point, attention is also directed toward the accounting systems needed to provide the requisite information to operationalize the accountability system. We recognize that the engagement dimensions are general and their specific specification is dependent on the local circumstances. However, we propose that this engagement framework is useful in initiating the critical dialogic accountability processes with the purpose of identifying and meaningfully engaging marginalized groups.

4.2.1 Group identification and responsibility network specification

Vinnari and Dillard (2016) outline an (ANT)agonistic process that might be helpful in identifying interested groups and articulating the related responsibility networks[39]. First, all possible affected constituencies need to be identified, meaningfully regarded and provided with a legitimate means of communicating their positions. All concerned parties, human and nonhuman, need to be meaningfully represented and consulted. Dialogic processes need to be in place that

---

[38] This discussion draws directly on Brown (2009), Dillard and Yuthas (2013), Blackburn et al. (2014), Dillard, Yuthas and Baudot (2016), and Vinnari and Dillard (2016).

[39] As noted above, we recognize this is a critical step in developing meaningful accountability systems but an extended treatment of the related issues are beyond the scope of the current discussion. See Brown and Dillard (2013a, 2015) and Vinnari and Dillard (2016) for further discussion from an agonistic perspective.

ensure proper communication within and among the various entities. Second, once the affected parties have been appropriately identified and consulted, there remains the difficult task of assessing the legitimacy of the groups' claims and placing them in order of importance. Such rank ordering is a necessary precondition for arriving at a public, democratic decision regarding which constituencies are legitimate account holders whose information needs should be satisfied by the power holder.

In the case of a publicly traded, multinational fast food company, self-evident interested constituencies would include shareholders, creditors, suppliers, employees, customers as well as standard-setters and regulators of various sorts. A broader investigation might also identify other salient groups, such as those interested in the effects of the company's operations on, for instance, public health, cultural traditions, local livelihoods, employee rights, the wellbeing and/or rights of farmed animals, the state of the environment, or public tax revenues. These groups' prevalence and foci would partially depend on local circumstances. For instance, the treatment of farmed animals might be a prominent issue in some regions, whereas in others a major concern might be the role of fast food in displacing traditional, healthier diets. The same applies to the formation of responsibility networks. In some contexts, those concerned about local livelihoods and public tax revenues would join forces welcoming a fast food company as a provider of employment to low-skilled workers who would otherwise remain unemployed and thus make no tax contributions. In other contexts, groups concerned about the very same issues might form a more critically oriented network suspicious of potential tax evasion or employee abuse. These represent just a few examples of the myriad of interested groups that would be identified in a pluralist process and the different ways in which they could construct political frontiers given rise to shared responsibility networks. The key issue is that each of them should be provided with the opportunity to voice the issues that are most pertinent from their own perspective.[40]

In order for the system to be operational, the identification and consultation of interested groups needs to be followed by a narrowing down whereby the legitimacy and importance of the various groups' claims need to be assessed. Processes need to be in place that ensure legitimate dialogue, negotiation and compromise, if possible, within each constituency group as well as between the groups and the power holder. However, unlike current, corporation-led stakeholder engagements leading to more or less distorted materiality matrices, this evaluation is conducted within local democratic processes involving politicians, scientists, social movement organizations and civil officials consistent with the premises and principles of critical dialogic accountability. Each responsibility network representing account holders (B) provides its own primary set of evaluation criteria (X) and appropriate processes (Y, Z, Q) that provide the basis for holding the power holder (A) accountable for its actions. This phase involves a normative element in the form of the question: why should the company be responsible to a particular

---

[40] The ability to identify and include all affected constituencies is highly unlikely, but currently it seems that any legitimate attempt to open up and broaden out accounting and accountability systems would be in improvement of the current situation.

interested group? Are the evaluation criteria, procedures, timing and sanctions appropriate and implementable? The decision is always political as it necessitates the rank ordering of values such as human health and wellbeing, economic efficiency, environmentalism, upholding traditions, and appreciation of nonhuman life, to mention but a few examples. Within a pluralist, democratic system, the outcome of such negotiations is a (temporary) decision regarding whose information needs should be addressed and the development of understandable and representative criteria sets and viable accountability systems.

4.2.2. Developing accountability systems

We submit that the alternative functions and types of accountability as well as the engagement dimensions presented in the preceding sections provide rudimentary criteria useful in conceptualizing and evaluating accountability systems. The development of accountability systems begins from the contemplation of the broader normative rationales or function(s) that the accountability system is expected to serve. Currently, fast food companies' voluntary reporting regimes serve mainly the populist function, as they attempt to invoke public trust in the companies so that these can maintain their social license to operate. Critical dialogic accountability, in contrast, can be considered to fulfill the three other functions as its aim is to ensure that the company does not pay below-minimum wages, dump its wastes in the environment or otherwise abuse its power (constitutional function); that the company listens and responds to the information needs of interested constituencies (democratic function); and that both the company and the interested parties engage in mutual learning during the iterative process of developing the accountability systems (epistemic function). As mentioned, the importance of each function is context-dependent. For instance, in jurisdictions where businesses are subject to relatively little regulation and oversight, the accountability systems would probably need to primarily serve the constitutional and the democratic functions, whereas in countries with tighter legislation and enforcement, accountability systems could be designed to focus on the epistemic function alongside the democratic one.

As concerns the modes of accountability, given that there are few, if any, formal requirements for a fast food company to publicly report on the social and environmental impacts of its activities and that the socio-political environment favors the financers and the power holder over other groups, the modes of accountability are limited to the relatively weak mechanisms of peer pressure and public reputation. This situation suggests the need for more formal reporting mechanisms and a more specific recognition of the needs of the constituencies.

The relationship between the fast food company (A) and a constituency group (B) is a vertical one with the group subordinated to the participatory practices permitted by the corporation unless there are extant democratic processes that allow for public exposure and debate such as local government facilitated town hall meetings, social media, or nongovernmental organization developed forums. For example, stakeholder engagement initiatives are initiated and controlled by the organization, setting the agenda, screening the participants and weighing the responses received. The corporation generally possesses

significant technical expertise relative to the constituency group and unless there are social movement or related agents involved, the level of organized response tends to be low.

The standards (X) should follow from the responsibility network's specification of the performance evaluation criteria associated with the relevant issues identified. For instance, environmental groups might need annual ex ante data on how the fast food company plans to decrease the amount of unrenewable resources consumed and waste produced, subject to fines if the planned levels are considerably exceeded. Likewise, a joint responsibility network of animal rights groups and nutrition specialists might want the company to disclose information on whether and how it has complemented or replaced meat with plant-based products. Corporate watchdog associations concerned about public finance would want to scrutinize country-level information on the taxes paid by the company.

The specificity and orientation of the standards relate to their nature and the local context within which they are implemented. Currently, there are generally no formal standards. Implicit standards would be integrity based with the company having significant autonomy in how they were implemented. Ideally, procedures (Y) would be in place such that the power holder's actions and processes would be transparent, and the community would have some mechanism for articulating an evaluation of performance. The timing (Z) of the accounting and of the reaction of the account holder depends on the standards and the local context. The consequences (Q), as well, are highly dependent on the local context, but as noted earlier, accountability without consequences is not accountability. The consequences must have a sufficient and timely impact on the power holder for the accountability system to be effective. For example, if the fast food company's employment of low skilled workers is a major local issue, ex ante and ex post information might be needed from accounting systems to monitor the company's hiring plans and to determine the extent to which this plan was contributing to the revenue base as well as the extent to which employees were provided adequate training and benefits. Employee issues might warrant a gradual reaction time (Z) because the related programs take time to implement, and the related outcomes are not immediate. The account holder may not have a formal accountability relationship so the influence over the firm might be low, and the mode by which the firm would be held accountable would most likely be local public opinion. Therefore, the consequences (Q) would most likely be soft and indirect. An analysis employing the framework suggests that in order to impose any meaningful level of accountability, more effort is needed to develop political coalitions that could strengthen the formal standards to which the entity is to be held and to establish direct and tangible consequences. It is premature to focus on disclosure and transparency without meaningful consequences associated with the accounting systems.

4.2.3. Accountability-based accounting systems

The final phase in operationalizing critical dialogic accountability is the development of accountability-based accounting systems that provide the information corresponding to the constituencies' needs and interests. As argued above, generally, the extant social and environmental accountability systems are predicated on accounting-based accountability, which

privileges financial capital as the primary stakeholder. We might expect that disclosures associated with a fast food company's social and environmental responsibilities to the community are constrained by what is currently captured in the traditional accounting system, with a little bit more added, and that the information would be presented in quantitative terms.

Drawing on the dialogic principles developed in Brown's (2009) seminal work, Dillard and Yuthas (2013) and Blackburn et al. (2014) develop enactment principles and design criteria for developing the accountability-based accounting systems needed in implementing critical dialogic accountability systems. The accounting system design follows from the critical dialogic accountability systems associated with the various constituencies interested in the fast food company's operations. The accounting systems are not presumed to be neutral or value free, because their purpose is to reflect the actions associated with the performance criteria based on the norms and values of the specific interested group, just as is the current case with the financers. The accounting systems are diverse, reflecting a range of constituency groups and socio-political lookouts. The accounting system can include both qualitative and quantitative data represented in nonmonetary and monetary terms and presented in the most effective form and format (e.g., audio-video, narrative, pictorial, etc.), given the needs and capabilities of the relevant user group. Given the subjective nature of any calculations, the calculative results are accompanied by qualitative information on the underlying assumptions, estimates and uncertainty. Relatedly, the subjectivity of any claim to superiority of any "best practice" is acknowledged. Local expertise is recognized and incorporated, and systems design and outputs are communicated in language and media accessible to the relevant constituency group(s) as well as experts and non-experts. As illustrated in Figure 1 panel c, the accounting system is part of an ongoing, iterative process among the user groups, systems designers, accountability systems implementers, and other interested parties. There should be ongoing dialogic engagement during the accounting systems design and implementation analogous to that undertaking in identifying the various interested parties and in specifying their evaluation criteria. The process should be transparent and understandable to all involved.

As a response to disclosure-sclerosis, the company's disclosures render transparent the actions directly relevant to specific performance criteria. These accounting systems are not neutral, value-free techniques and are recognized as being designed and implemented within the same socio-political context as the accountability systems. As such there is a keen sensitivity to the alternative ideological orientations and the asymmetrical power relationships, and an appreciation of the constructive, transformative potential of legitimate dialogue and debate.

While we recognize that constructing such accounting systems is challenging, their feasibility has been greatly enhanced by the development and implementation of various software platforms such as Enterprise Resource Planning systems. These entity wide systems have the capability for collecting and analyzing various types of information in a number of forms and developing a vast array of representations. Beyond implementing legal requirements to disclose social and environmental information, we see the primary challenge to be developing accountability systems that reflect the evaluation criteria of the various interested constituencies,

especially underrepresented groups, and developing the institutional infrastructure necessary to render timely and appropriate consequences. This requires instantiating modes of power to hold to account beyond public reputation.

5. Summary and reflections

In an attempt to take pluralism seriously within a more democratically governed society, we have argued for the need to reframe our efforts from accounting-based accountability to accountability-based accounting. We propose critical dialogic accountability as one means for developing meaningful accountability systems and, therefore, accounting systems. In contemplating these issues, we have considered conceptualizations of accountability both in the accounting as well as global governance literature. The position taken here is that accounting is a subset of accountability, generally linked through disclosure and transparency, and accountability is a means to some "first order" good such as responsibility, democracy, and/or legitimate power, ultimately acting in the public interest by facilitating a common good.

Hopefully, what is presented above will facilitate a "reflexive, discursive encounter", that is, reflexive dialogue and debate regarding accountability as well as its relationship to accounting. The encounter holds as necessary the recursive and ongoing relationship of accounting and accountability (Figure 1, panel c) in the process of facilitating a more pluralistic and democratically governed society. The responsibility networks reflect the needs, norms and values of the affected group(s) that are articulated as evaluation criteria whereby the power holder is held accountable. Properly designed and implemented accountability systems provide a means for limiting the power of the power holder relative to some interested group as well as legitimating the asymmetrical power relationship enjoyed by the power holder.

For any type of accountability to be effective, the account holder must have the ability to attain necessary information, to specify the criteria for evaluation and to render consequences commensurate with the actions of the power holder in a timely manner. Transparency, disclosure or accountability will have little or no impact without legitimate responsibility networks, relevant standards, and account holders with power. Given that there are few formal structures, relevant standards or well-articulated responsibility networks in place for any account holder group other than financers, we are faced with conceptualizing other areas such as social and environmental accountability as some form of participatory accountability with the primary mechanism being public reputational accountability, which tends to be the weakest of the seven modes proposed.

There are many facets of accountability that have not been addressed but that need to be identified and debated. For example, one such area is the idea of accountability being used as a lever to motivate the accounting profession to broaden its perspective beyond the traditional financial reporting perspective. Accountability as a product and an attribute could pull the profession along, forcing it to think about accountings that would be relevant to different goals and constituencies.[41]

---

[41] An insight brought to our attention by Carmen Correa.

Maybe accounting as a discipline and profession could become more relevant if we paid more attention to the value-based, first-order ends of accountability instead of focusing only on the instrumental means through which accountability is to be achieved (see Burawoy, 2005). In other words, the criteria by which accounting and accountability systems are evaluated would focus on their ultimate justification (e.g., financial investments, environmental sustainability, social justice, etc.) that follow from the responsibility networks associated with the goals, objectives, and interests of the various constituencies (pluralism). A clearer focus on the objective of accountability – that is, what are the components of the responsibility networks, legitimate power relationships, interested constituency groups, democratic objectives – should help in identifying what accountings are needed and how the current one falls short.

Accounting(s) needs to emerge out of some higher level objective, just as does accountability. We need to move away from the mindset that accounting, and the related reporting regimes, is a system that can be (slightly) modified and imposed on different situations. Maybe "accounting" cannot change its "mind set" as long as it does not look beyond disclosure/transparency as its objective, because accounting complies with one dominant, hegemonic criteria set (financial/economic). What accounting is doing regarding disclosure and transparency seems legitimate and justifiable and is probably "rational" for the most part from the traditional perspective. These questions, doubts and concerns provide the direction and motivation to continue to develop these ideas. While there has been progress in trying to extend this system to be more inclusive, a useful alternative might be to start with the objective(s) of an accountability system associated with a particular responsibility network

Alternative perspectives are not easy to express because we are moving outside our traditional way of framing and understanding. We "accounting people" have spent a long time developing and reinforcing the current traditional accounting thinking, generally without giving much thought to where it is going (or, frankly, where it came from) and whether or not that is desirable. The development of critical dialogic accountability systems will require SEA scholars and practitioners "to mobilize their imaginative capacities" (Gendron, 2018, p. 8) to come up with creative answers to the key questions: Accountability for whom? Accountability for what? (see Burawoy, 2005). Alternative research avenues that transcend the disciplinary box (Alvesson and Sandberg, 2014) of accounting may engender not only scientifically innovative but also, and more importantly, societally relevant and meaningful solutions.

Hopefully the ideas presented herein will encourage reflexive, discursive encounters that facilitate the study of both the craft and practice of accounting and accountability in developing and furthering a progressive social agenda. We recognize that some of the ideas proposed might currently seem a bit idealistic. With such a perspective we are sympathetic, but it was not too long ago that what has evolved as corporate social responsibility seemed unrealistic. However, we should keep in mind that wicked problems do not have solutions. In fact, there may be little agreement as to what the actual problem might be. However, this is no excuse not to imagine and not to try. We see the task as one to "clarify and deliberate about the problems and risks we face and to outline how things might be done differently, in full knowledge that we cannot find

ultimate answers to these questions or even a single version of what the questions are."
(Flyvbjerg, 2001:140) And one other thing: "Stop calling it accounting!"

References

AccountAbility (2008). Accountability Principles Standards. Accessed October 10, 2018 on https://www.accountability.org/standards/

Adams, C. (2015). The International Integrated Reporting Council: A call to action. *Critical Perspectives on Accounting*, *2*, 23-28.

Adams, C., & Larrinaga-González, C. (2007). Engaging with organisations in pursuit of improved sustainability accounting and performance. *Accounting, Auditing & Accountability Journal*, *20*(3), 333-55.

Adams, C., & McNicholas, P. (2007). Making a difference: Sustainability reporting, accountability and organisational change. *Accounting, Auditing and Accountability Journal*, *20*(3), 382-402.

Adams, C., & Whelan, G. (2009). Conceptualising future change in corporate sustainability reporting. *Accounting, Auditing & Accountability Journal, 22*(1), 118-43.

Alvesson, M., & Sandberg, J. (2014). Habitat and habitus: Boxed-in versus box-breaking research. *Organization Studies*, *35*(7), 967–987.

Aras, G., & Crowther, D. (2009). Corporate sustainability reporting: A study in disingenuity? *Journal of Business Ethics*, *87*(S), 279-88.

Archel, P., Husillos, J., & Spence, C. (2011).The institutionalisation of unaccountability: Loading the dice of corporate social responsibility discourse. *Accounting, Organizations and Society, 36*(6), 327-43.

Barone, E., Ranamagar, N., & Solomon, J. (2013). A Habermasian model of stakeholder (non)engagement and corporate (ir)responsibility reporting. *Accounting Forum*, *37*(3), 163-181.

Bebbington, J. (1997). Engagement, education and sustainability: A review essay on environmental accounting. *Accounting, Auditing & Accountability Journal, 10*(3), 365-381.

Bebbington, J., Brown, J., Frame, B., & Thomson, I. (2007). Theorizing engagement: The potential of a critical dialogic approach. *Accounting, Auditing & Accountability Journal, 20*(3), 356-381.

Blackburn, N., Brown, J., Dillard, J., & Hooper, V. (2014). A dialogical framing of AIS–SEA design. *International Journal of Accounting Information Systems*, *15*(2), 83-101.

Boltanski, L., & Chiapello, E. (2006). *The New Spirit of Capitalism*. London: Verso [First Edition in French 1999].

Bovens, M. (2010). Two concepts of accountability: Accountability as a virtue and as a mechanism. *West European Politics*, *33*(5), 946-967.

Brown, D., Dillard, J., & Marshall, S. (2005). Incorporating natural systems as part of accounting's public interest responsibility. *Journal of Information Systems*, *19*(2), 79-104.

Brown, J. (2009). Democracy, sustainability and dialogic accounting technologies: Taking pluralism seriously. *Critical Perspectives on Accounting, 20*(3), 313-342.

Brown, J., & Dillard, J. (2013a). Agonizing over engagement: SEA and the "death of environmentalism" debates. *Critical Perspectives on Accounting, 24*(1), 1-18.

Brown, J., & Dillard, J. (2013b). Critical accounting and communicative action: On the limits of consensual deliberation. *Critical Perspectives on Accounting, 24*(3), 176-190.

Brown, J., & Dillard, J. (2014). Integrated Reporting: On the need for broadening out and opening up. *Accounting, Auditing & Accountability Journal, 27*(7), 1120-1156.

Brown, J., & Dillard, J. (2015). Dialogical accountings for stakeholders: On opening up and closing down participatory governance. *Journal of Management Studies*, *52*(7), 176-190.

Brown, J., Dillard, J., & Hopper, T. (2015). Accounting, accountants and accountability regimes in pluralistic societies: Taking multiple perspectives seriously. *Accounting, Auditing & Accountability Journal, 28*(5), 626-650.

Brown, J., & Fraser, M. (2006). Approaches and perspectives in social and environmental accounting: An overview of the conceptual landscape. *Business Strategy and the Environment, 15*(2), 103-117.

Burawoy, M. (2005). 2004 presidential address: For public sociology. *American Sociological Review*, *70*(1), 4–28.

Burritt R., & Schaltegger, S. (2010). Sustainability accounting and reporting: Fad or trend? *Accounting, Auditing & Accountability Journal*, *23*(7), 829-46.

Chiapello, E. (2017). Critical accounting research and neoliberalism. *Critical Perspectives on Accounting*, *43*, 47-64.

Cooper, C., & Johnston, J. (2012). Vulgate accountability: Insights from the field of football. *Accounting, Auditing & Accountability Journal*, *25*(4), 602-634.

Cooper, C., Taylor, P., Smith, N., & Catchpowle, L. (2005). A discussion of the political potential of social accounting. *Critical Perspectives on Accounting, 16*(7), 951-974.

de Bakker, F., den Hond, F., King, B., & Weber, K. (2013). Social movements, civil society and corporations: Taking stock and looking ahead. *Organization Studies, 34*(5-6), 573-593.

Deegan, C. (2017). Twenty five years of social and environmental accounting research within *Critical Perspectives of Accounting*: Hits, misses and ways forward. *Critical Perspectives on Accounting, 43*, 65-87.

Dey, C. (2007). Developing silent and shadow accounts. In J. Unerman, J. Bebbington & B. O'Dwyer (Eds.), *Sustainability accounting and accountability* (pp. 307-326). Abingdon: Routledge.

Dillard, J., & Brown, J. (2012). Agonistic pluralism and imagining CSEAR into the future. *Social and Environmental Accountability Journal, 32*(1), 3-16.
Dillard, J., & Brown, J. (2014). Taking pluralism seriously within an ethic of accountability. In S. Mintz (Ed.), *Accounting for the Public Interest: Perspectives on Accountability, Professionalism and Role in Society* (pp. 75-90). New York: Springer.

Dillard, J., & Brown, J. (2015). Broadening out and opening up: An agonistic attitude toward progressive social accounting. *Sustainability, Accounting, Management and Policy Journal*, *6*(2), 243-266.

Dillard, J., & Roslender, R. (2011).Taking pluralism seriously: Embedded moralities in management accounting and control systems. *Critical Perspectives on Accounting*, *22*(2), 135-47.

Dillard, J., & Ruchala, L. (2005). The rules are no game: From instrumental rationality to administrative evil. *Accounting, Auditing & Accountability Journal*, *18*(5), 608-630.

Dillard, J., & Vinnari, E. (2017). A case study of critique: Critical perspectives on critical accounting. *Critical Perspectives on Accounting, 43*, 88-109.

Dillard, J., & Yuthas, K. (2001). A responsibility ethic of audit expert systems. *Journal of Business Ethics*, *30*(4), 337-359.

Dillard, J., & Yuthas, K. (2013). Critical dialogics, agonistic pluralism, and Accounting Information Systems. *International Journal of Accounting Information Systems, 14*(2), 13-19.

Dillard, J., Yuthas, K., & Baudot, L. (2016). Dialogic framing of accounting information systems in social and environmental accounting domains: Lessons from, and for, microfinance. *International Journal of Accounting Information Systems,* 23: 14-27.

Dubnick, M.J. (2002). Seeking salvation for accountability. Prepared for delivery at the 2002 Annual Meeting of the American Political Science Association, 29 August-1 September 2002, Boston, MA. Accessed October 10, 2018 on http://mjdubnick.dubnick.net/papersrw/2002/salv2002.pdf

Everett, J. (2004). Exploring (false) dualisms for environmental accounting praxis. *Critical Perspectives on Accounting, 15*(8), 1061-1084.

Everett, J. (2007). Fear, desire, and lack in Deegan and Soltys's social accounting research: An Australasian perspective. *Accounting Forum*, *31*(1), 91-7.

Everett, J., & Neu, D. (2000). Ecological modernization and the limits of environmental accounting? *Accounting Forum, 24*(1), 5-29.

FASB. (2010). Statement of Financial Accounting Concepts No. 8. Conceptual Framework for Financial Reporting. September 2010. Financial Accounting Standards Board.

Flyvbjerg, B. (2001). *Making Social Science Matter*. Cambridge, UK: Cambridge University Press.

Freudenberg, N. (August 15, 2015). The 100 largest governments and corporations by revenue. Nicholas Freudenberg Corporations and Health Watch. http://www.corporationsandhealth.org/2015/08/27/the-100-largest-governments-and-corporations-by-revenue/

Gendron, Y. (2018). Beyond conventional boundaries: Corporate governance as inspiration for critical accounting research. *Critical Perspectives on Accounting*, *55*, 1–11.

George, S. (2015). *Democratising accounting and accountability: An exploration of social movement counter-accounting practices and engagement strategies*. Ph. D. Dissertation. Victoria University of Wellington. Wellington, New Zealand.

Giugni, M. (2008). *Political, Biographical and Cultural Consequences of Social Movements. Sociology Compass, 2*(5), 1582-1600.

Grant, R., & Keohane, R. (2005). Accountability and abuses of power in world politics. *American Political Science Review*, *99*(1), 29-43.

Gray, R. (2002). The social accounting project and Accounting Organizations and Society privileging engagement, imaginings, new accountings and pragmatism over critique? *Accounting, Organizations and Society, 27*(7), 687-708.

Gray, R. (2007). Taking a long view on what we now know about social and environmental accountability and reporting. *Issues in Social and Environmental Accounting*, *1*(2), 169-198.

Gray, R. (2010a). Is accounting for sustainability actually accounting for sustainability… and how would we know? An exploration of narratives of organisations and the planet. *Accounting, Organizations and Society*, *35*(1), 47-62.

Gray, R. (2010b). A re-evaluation of social, environmental and sustainability accounting. An exploration of an emerging trans-disciplinary field? *Sustainability Accounting, Management and Policy Journal*, *1*(1), 11-32.

Gray, R., Adams, C., & Owens, D. (2014). *Accountability, Social Responsibility and Sustainability: Accounting for Society and the Environment*. Harlow, UK: Pearson.

Gray R., Dillard, J., & Spence, C. (2009). Social accounting research as if the world matters. *Public Management Review*, *11*(5), 545-73.

Gray, R., Dey, C., Owen, D., Evans, R., & Zadek, S. (1997). Struggling with the praxis of social accounting: Stakeholders, accountability, audits and procedures. *Accounting, Auditing & Accountability Journal*, *10*(3), 325–64.

Guénin-Paracini, H., Gendron, Y., & Morales, J. (2014). Neoliberalism, crises and accusations of fraud: A vicious circle of reinforcing influences? *Qualitative Research in Accounting & Management*, *11*(4), 317-356.

Harvey, D. (2005). *A Brief History of Neoliberalism*. New York: Oxford University Press.

Johnson, H., & Kaplan, R. (1991). *Relevance Lost*. Cambridge, Massachusetts: Harvard Business School Press.

Joseph, G. (2012). Ambiguous but tethered: An accounting basis for sustainability reporting. *Critical Perspectives on Accounting*, *23*(2), 93-106.

KPMG. (2017). *KPMG Survey of Corporate Responsibility Reporting 2017*. Accessed October 10, 2018 on https://home.kpmg.com/xx/en/home/campaigns/2017/10/survey-of-corporate-responsibility-reporting-2017.html.

King, B.G. (2008). A social movement perspective of stakeholder collective action and influence. *Business & Society*, *47*(1), 21-49.

Latour, B. (2004). *The Politics of Nature: How to Bring Sciences back into Democracy*. Cambridge, Massachusetts: Harvard University Press.

Lehman, G. (2001). Reclaiming the public sphere: problems and prospects for corporate social and environmental accounting. *Critical Perspectives on Accounting, 12*(6), 713-33.

Lehman, G. (2010). Perspectives on accounting, commonalities and the public sphere. *Critical Perspectives on Accounting, 21*(8), 724-38.

Malsch, B. (2013). Politicizing the expertise of the accounting industry in the realm of corporate social responsibility. *Accounting, Organizations and Society, 38*(1), 49–168.

McCarthy, J.D., & Zald, M.N. (1977). Resource mobilization and social movements: A partial theory. *American Journal of Sociology*, *82*(6), 1212–1241.

McKernan, J. (2012). Accountability as aporia, testimony, and gift. *Critical Perspective on Accounting*, *23*(3), 258-278.

McKernan, J., & MacLullich, K. (2004). Accounting, love and justice. *Accounting, Auditing & Accountability Journal*, *17*(3), 327–360.

McNally, N., & Maroun, W. (2018). It is not always bad news: Illustrating the potential of integrated reporting using a case study in the eco-tourism industry. *Accounting, Auditing & Accountability Journal*, *31*(5), 1319-1348.

Messner, M. (2009). The limits of accountability. *Accounting, Organizations and Society*, *34*(8), 918-938.

Milne, M., Kearins, K., & Walton, S. (2006). Creating adventures in wonderland: The journey metaphor and environmental sustainability. *Organization*, *13*(6), 801–839.

Milne, M., & Tregidga, H. (2009). Words not actions! The ideological role of sustainable development reporting. *Accounting, Auditing & Accountability Journal*, 22(8), 1211-1257.

Mouffe, C. (2013). *Agonistics: Thinking the World Politically*. London: Verso.

Niebuhr, R. (1963). *The Responsible Self*. San Francisco: Harper Press.

Neu, D., Cooper, D., & Everett, J. (2001). Critical accounting interventions. *Critical Perspectives on Accounting*, *12*(6), 735-62.

O'Dwyer, B., Unerman, J., & Bradley, J. (2005). Perceptions on the emergence and future development of corporate social disclosure in Ireland: Engaging the voices of non-governmental organisations. *Accounting, Auditing & Accountability Journal, 18*(1), 14-43.

O'Neil, O., & Manson, O. (2007). *Rethinking Informed Consent in Bioethics*. Cambridge, UK: Cambridge University Press.

Otusanya, O. J. (2011). The role of multinational companies in tax evasion and tax avoidance: The case of Nigeria. *Critical Perspectives on Accounting*, *22*(3), 316–332.

Owen, D. (2008). Chronicles of wasted time?: A personal reflection on the current state of, and future prospects for, social and environmental accounting research. *Accounting, Auditing & Accountability Journal, 21*(2), 240-267.

Parker, L. (2005). Social and environmental accountability research: a view from the commentary box. *Accounting, Auditing & Accountability Journal*, *18*(6), 842-60.

Pearce, D., & Barbier, E. (2000). *Blueprint for a Sustainable Economy.* London: Earthscan.

Rached, D. (2016). The concept(s) of accountability: form in search of substance. *Leiden Journal of International Law*, *29*(2), 317-342.

Rinaldi, L., Unerman, J., & Tilt, C. (2014). The role of stakeholder engagement and dialogue within the sustainability accounting and reporting process. In J. Bebbington, J. Unerman & B. O'Dwyer (Eds.), *Sustainability Accounting and Accountability* (pp. 86-107). London: Routledge.

Roberts, J. (1991). The possibilities of accountability. *Accounting, Organizations and Society*, *16*(4), 355–368.

Roberts, J. (2001). Trust and control in Anglo-American systems of corporate governance: The individualizing and socializing effects of processes of accountability. *Human Relations*, *54*(12), 1547–1572.

Roberts, J. (2003). The manufacture of corporate social responsibility: Constructing corporate sensibility. *Organization*, *10*(2), 249–265.

Roberts, J. (2009). No one is perfect: The limits of transparency and an ethic for 'intelligent' accountability. *Accounting, Organizations and Society*, *34*(8), 957–970.

Roberts, J. (2018). Managing only with transparency: The strategic functions of ignorance. *Critical Perspectives on Accounting*, *55*, 53-60.

Roberts, J., & Scapens, R. (1985). Accounting systems and systems of accountability – Understanding accounting practices in their organisational contexts. *Accounting, Organizations and Society*, *10*(4), 443–456.

Schneiberg, M., & Lounsbury, M. (2007). Social movements and institutional analysis. In R. Greenwood, C. Oliver, R. Suddaby & K. Sahlin (Eds.), *The SAGE Handbook of Organizational Institutionalism* (pp. 650-673). London: Sage Publications.

Schweiker, W. (1993). Accounting for ourselves: Accounting practice and the discourse of ethics. *Accounting, Organizations and Society*, *18*(2–3), 231–252.

Shearer, T. (2002). Ethics and accountability: From the for-itself to the for the-other. *Accounting, Organizations and Society*, *27*(6), 541–573.

Shenkin, M., & Coulson, A. B. (2007). Accountability through activism: Learning from Bourdieu. *Accounting, Auditing & Accountability Journal, 20*(2), 297-317.

Sinclair, A. (1995). The chameleon of accountability: Forms and discourses. *Accounting, Organizations and Society*, *20*(2–3), 219–237.

Solomon, J.F., Solomon, A., Joseph, N.L., & Norton, S.D. (2013). Impression management, myth creation and fabrication in private social and environmental reporting: Insights from Erving Goffman. *Accounting, Organizations and Society*, *38*(3), 195-213.

Sorola, M. (2017). An empirical investigation of pluralist understandings amongst accountants and the implications for critical dialogic accounting. Working Paper. Victoria University of Wellington. Wellington, New Zealand.

Spence, C. (2007). Social and environmental reporting and hegemonic discourse. *Accounting, Auditing & Accountability Journal, 20*(6), 855-882.

Spence, C. (2009). Social accounting's emancipatory potential: A Gramscian critique. *Critical Perspectives on Accounting, 20*(2), 205-227.

Spence C., Husillos J., & Correa-Ruiz C. (2010). Cargo cult science and the death of politics: A critical review of social and environmental accounting research. *Critical Perspectives on Accounting*, *21*(1), 76-89.

Tanima, F. (2015). Microfinance and women's empowerment in Bangladesh: A study of 'competing logics' and their implications for accounting and accountability systems. Ph.D. Dissertation. Victoria University of Wellington. Wellington, New Zealand.

Tinker, T., & Gray, R. (2003). Beyond a critique of pure reason: From policy to politics to praxis in environmental and social research. *Accounting, Auditing & Accountability Journal*, *16*(5), 727-61.

Tinker, T., Lehman, C., & Neimark, M. (1991). Falling down the hole in the middle of the road: Political quietism in corporate social reporting. *Accounting, Auditing & Accountability Journal, 4*(2), 28-54.

Tregidga, H., & Milne, M. (2006). From sustainable management to sustainable development: A longitudinal analysis of a leading New Zealand environmental reporter. *Business Strategy and the Environment*, *15*(4), 219-241.

Unerman, J., & Bennett, M. (2004). Incresed stakeholder dialogue and the internet: Towards greater accountability or reinforcing capitalist hegemony? *Accounting, Organizations and Society, 29*(7), 685-707.

Van Peursem, K., Old, K., & Locke, S. (2016). Socializing accounting practices in governing bodies: Dairy co-operatives down-under. *Journal of Accounting and Organizational Change*, *12*(1), 75-102.

Vinnari, E., & Dillard, J. (2016). (ANT)agonistics: Pluralistic politicization of, and by accounting and its technologies. *Critical Perspectives on Accounting*, *39*, 25-44.

Ylönen, M., & Laine, M. (2012). For logistical reasons only? A case study of tax planning corporate social responsibility reporting. *Critical Perspectives on Accounting*, *33*, 5-23.

Young, J. (2006). Making up users. *Accounting, Organizations and Society*, 31(6), 579-600.

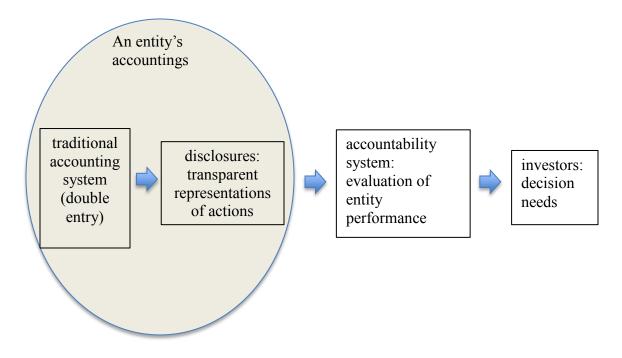Zeff, S. (2003a). How the U. S. accounting profession got where it is today: Part I. *Accounting Horizons, 17*(3), 189-205.

Zeff, S. (2003b). How the U. S. accounting profession got where it is today: Part II. *Accounting Horizons, 17*(4), 267-286.

FIGURES

Figure 1 Views of accounting and accountability

Panel 1A Current view: accounting-based accountability

Panel 1B Current view on how to extend accountability

Panel 1C Critical dialogic accountability

Pluralistic, democratically governed society

accounting systems ← disclosures: transparent representations of actions ← accountability systems: comparing representations with evaluation criteria ← responsibility networks: specification of evaluation criteria ← affected groups: diverse needs and interests

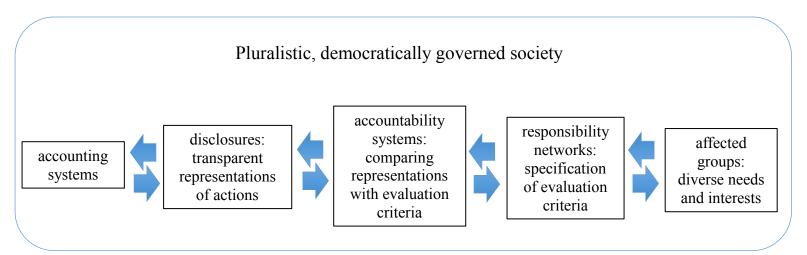**Figure 2. Engagement dimensions of accountability (Rached, 2016; Grant and Keohane, 2005; as complemented by the authors)**

Context
Formal/legal -------- Formality of accountability relationship ------ Informal/extra-legal
Favorable to power holder ---- Social/political environment ---- Favorable to account holder

Relationship of A to B
Horizontal ----- Spatiality -----Vertical
Delegation ----- Model ----- Participation

Power holder - A
Collective ----- Aggregation ----- Individual
Technocratic ----- Expertise ----- Lay

Account holder - B
Technocratic ----- Expertise ----- Lay
High ---- Extent of organization/mobilization ---- Low

Standards – X
Compliance based standards ----- Orientation ----- Integrity based standards
Rule follower ----- Specificity ----- Autonomous decision making

Procedures - Y
Opaque ----- Visibility ----- Transparent
Voting ----- Mechanism ----- Reason giving

Time - Z
Ex ante ----- Timing of accounting ----- Ex post
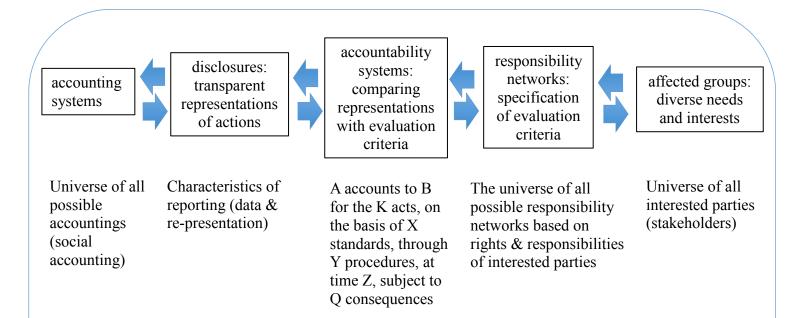Immediate ----- Account holder reaction ----- Gradual

Consequences - Q
Control access to resources ----- Mode ----- Through public opinion
High ----- Account holder influence ----- Low
Hard ---- Stringency ---- Soft
Direct ----- Type ----- Indirect

Combination and dosage of the parameters is determined locally, depending on which function(s) the accountability system is expected to fulfill:
- preventing abuse of power (constitutional)
- listening to a plurality of voices (democratic)
- developing power holder's capacity to make wise substantive decisions (epistemic)
- fostering public trust in the power holder (populist)

Appendix 1. Elements and relationships of critical dialogic accountability

accounting systems	disclosures: transparent representations of actions	accountability systems: comparing representations with evaluation criteria	responsibility networks: specification of evaluation criteria	affected groups: diverse needs and interests
Universe of all possible accountings (social accounting)	Characteristics of reporting (data & re-presentation)	A accounts to B for the K acts, on the basis of X standards, through Y procedures, at time Z, subject to Q consequences	The universe of all possible responsibility networks based on rights & responsibilities of interested parties	Universe of all interested parties (stakeholders)

Pluralistic, democratically governed society, theorized using agonistics:
- Identifies the interested groups and engages them so as to specify evaluation criteria and understandable representations thereof;
- Recognizes the contested and political nature (asymmetric power relationships) of accounting, accountability and responsibility;
- Recognizes a plurality of responsibility networks, accountability systems and accounting systems and assists in their development.